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Preparatory Committee for the United Nations Conference on Housing and Sustainable Urban Development (Habitat III)
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Habitat III thematic meeting on smart civic engagement

Note by the secretariat

The secretariat of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) hereby transmits the outcome document of the Habitat III thematic meeting on smart civic engagement, held in Tel Aviv on 7 September 2015.

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Outcome document of the Habitat III thematic meeting on smart civic engagement

An urban world

Reaffirming urban democracy

1. As you entered the agora of ancient Athens, you were transformed from farmer, landowner, artisan, priest or soldier into an active citizen. This was the democratic arena of the city, the place where open public discussion guided the life of the city, where policies were made, strategies debated and decisions voted upon. Our cities have practically been reinvented since the days of ancient Athens, but the essence of urban life is still defined by the scope of the involvement and engagement of its citizens. What does the agora of the twenty-first century look like? In the following section we will outline the key aspects of the new frontiers for urban democracy worldwide, illustrating the scope of participation, the diffusion of technology as a democratic tool and the concerns that outline the new frontiers.

Introduction

2. In October 2016, the United Nations will hold the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), in Quito, Ecuador, to reinvigorate global commitment to sustainable urbanization. The Conference will focus on the definition and implementation of a transformative New Urban Agenda, effectively harnessing the role of urbanization as a driving force and source of development, with the power to change and improve lives.

3. The Sustainable Development Goals have been set out in the 2030 Agenda for Sustainable Development, which states that:

> "We the peoples" are the celebrated opening words of the Charter of the United Nations. It is "we the peoples" who are embarking today on the road to 2030. Our journey will involve Governments as well as parliaments, the United Nations system and other international institutions, local authorities, indigenous peoples, civil society, business and the private sector, the scientific and academic community — and all people. Millions have already engaged with, and will own, this Agenda. It is an Agenda of the people, by the people and for the people — and this, we believe, will ensure its success.

4. The new Sustainable Development Goals also recognize that sustainable urban development and management are crucial to quality of life. We will work with local authorities and communities to renew and plan our cities and human settlements so as to foster community cohesion and personal security and stimulate innovation and employment. We will reduce the negative impacts of urban activities and chemicals that are hazardous to human health and the environment, including through the environmentally sound management and safe use of chemicals, the reduction and recycling of waste and more efficient use of water and energy. We will also work to minimize the impact of cities on the global climate system. We will take into account population trends and projections in our national, rural and urban development strategies and policies. We look forward to the upcoming Habitat III conference.

5. The Habitat III issue paper on smart cities[1] outlines the key drivers for action for pursuing a smart city framework:

> Strategic policies, legislations, rules and regulations: Smart and sustainable cities have to be planned, designed, implemented, and managed effectively. Also, the benefits of smart cities are not automatic. These require strategic policies and innovative thinking about 21st century technological advancements in the sustainable urbanization agenda. More, it is important that the development of a smart city is understood not as the final aim of city administrators, but as a way to reduce costs of public services, enhance access to and quality of these services, enhance regulatory compliance, and help enhance the transparency and accountability of public agencies. All these require smart governance that recognize complementary assets and linkages of urban and rural areas, advance partnerships and bottom up approaches inclusive of stakeholders.
>
> Innovative, responsive urban planning and design: Planning and design from the planned city extension perspective focuses on: public space layout that minimizes transport needs and service delivery costs while optimizing the use of land; street patterns that enhance mobility and space for civic and economic activities; open spaces that provide areas for recreation and social interaction enhancing quality of life; and, block typology that facilitates private investment in defined and serviced areas. There is a need to re-evaluate existing approaches and instruments, identify good practices suited to local contexts, ensure alignment with international standards, and promote integrated approaches across government ministries and sectors (transportation and communication networks, green buildings, inclusive and efficient human settlements and service delivery systems, improved air and water quality, disaster preparedness and response toward urban resilience).
>
> Robust financial planning: Smart city approaches require robust financial planning and investments, thus need to be informed by knowledge anchored in local context. This requires inclusive governance marked by stakeholder engagement — harmonizing public and private sector priorities and ensuring civil society participation, including marginalized and vulnerable groups, in local public decision-making processes. Financial models also need to be well designed, focused on cost-effective and sustainable solutions and conducive to foreign investment. This aspect focuses on developing a realistic and implementable financial plan that is crucial to the successful implementation of planned city extensions and infill (PCE/I).
>
> Coherence: There is need for international consensus on what "smart and sustainable city" means, and deeper understanding of how approaches labelled as "smart" advance the new urban agenda. The assumption that the application of ICTs in planning, design and management of urbanization and cities will automatically result in improved outcomes needs to be addressed. This is a long-term process and cannot be achieved overnight. Transitioning or building a city into a smarter, more resilient, more sustainable city is a journey and every city is likely to have different pathways. This is a long-term process of actions that would not only allow for comparability but would also promote

[1] Available at: http://unhabitat.org/wp-content/uploads/2015/04/Habitat-III-Issue-Paper-21_Smart-Cities-2.0.pdf.

sustainable development along with each city being able to quantify improvements. Cities are accountable for continuous improvement to strengthen its effectiveness for the future. Therefore the process should be able to adapt to the dynamic, evolving and complex nature of cities and be able to continuously update the vision as required.

6. We acknowledge the following:

(a) Winds of urbanization: 2 per cent, 50 per cent, 70 per cent and 80 per cent — these four numbers portray the unique place in history that we currently occupy. Only 2 per cent of the planet is urban, however, this space contains more than 50 per cent of the world's population, creating more than 70 per cent of our economic benefits and 80 per cent of the pollution. Cities have become the core of humanity's well-being and its hope for tomorrow, a sustainable, just and happy future. Urban areas are a living combination of history, civilization, diversity and culture. Urbanization has been a force that has changed almost everything, including ways of thinking, acting and using space, lifestyles, social and economic relations and consumption and production patterns;

(b) Cities need to develop sustainable mechanisms that will enable their citizens to develop capacity and experience in civic responsibility in order to broaden democratic platforms and responsible governance. This is a twofold challenge, for the city to again become a democratic arena and for the residents to reinvent themselves as citizens instead of consumers of services. Civic engagement needs to become an everyday practice, embedded into city life at all levels of municipal and community activities;

(c) This is also a time for immense opportunity. Significant progress has been made in meeting many development challenges. Within the past generation, hundreds of millions of people have emerged from extreme poverty. Access to education has greatly increased for both boys and girls. The spread of information and communications technology and global interconnectedness has great potential to accelerate human progress, bridge the digital divide and develop knowledge societies;

(d) There are more than 7 billion mobile subscriptions worldwide, up from 738 million in 2000. Globally, 3.2 billion people are using the Internet, of which two billion live in developing countries. Mobile broadband penetration globally was close to 47 per cent in 2015, a value that has increased 12-fold since 2007. In 2015, 69 per cent of the global population will be covered by 3G mobile broadband, up from 45 per cent in 2011;

(e) Local governments are changing the way they govern in the twenty-first century. Information and communications technology-assisted approaches can support and strengthen government, in part by enhancing transparency through open data and by improving citizen access to services through online platforms.

7. In the light of the foregoing:

(a) We need to harness the best and brightest ideas and people to meet the challenges we face. Our cities have to become the engine to bring these two together, creating the climate for involvement and innovation and facilitating the processes and platforms. The challenge for future cities is not only technology and data manipulation but, even more so, governance and civic engagement. Our cities

should again be democratic arenas, and our residents will reinvent themselves as citizens instead of consumers of services. Civic engagement needs to become an everyday practice, embedded into city life at all levels of municipal and community activities;

(b) Cities need to continue and explore "smart" opportunities, analysing technological capabilities, social network capacities, Internet of things infrastructure and crowd mobilization. We have to better understand the potential of smart cities as democratic arenas for citizen empowerment, as governance platforms, and user-driven innovation. Smart endeavours need to generate sustainable mechanisms that will enable citizens to develop capacity and experience in civic responsibility and broaden democratic platforms and responsible governance;

(c) We recognize that while elections form the basis of local democracy, citizen engagement can take many forms and utilize ongoing practices and mechanisms. Municipal-community partnerships can be just as important to the robustness of local democracy, which should be built upon a broad range of opportunities for public involvement and engagement, going far beyond elections;

(d) We acknowledge that dialogue is the building block of citizen engagement, the most colourful and innovative role in the unfolding story of local democracy. Dialogue brings forth the community attributes of democracy, demonstrating that, in many countries, citizens draw on tradition and custom, making creative use of village councils to voice their opinions and deliberate;

(e) We need to continue widening the democratic scale, deepening the modality of participation, in such tools as the ballot initiative, referendums and participatory budgeting. Participatory local democracy is widely perceived as fostering better accountability and improved delivery of basic services, as well as defusing regional, ethnic and religious tensions;

(f) We realize that connectivity and transparency have been shown to be enormously significant to creating interaction and providing governance. Certainly, the advent of new technology and media promises new possibilities for enhancing civic participation and engagement. A smart city is therefore two things: data-rich and interconnected;

(g) We appreciate that the new public agora is emerging through the Internet. The web has been identified as a platform that supplies new possibilities for an interactive virtual public arena that enables top-down efforts to shape cities through continuous bottom-up participation. New media platforms such as Facebook and Twitter are the new enablers of multidirectional information flows, in a faster and broader way than ever before, allowing more and more individuals, especially young people, to engage with their city;

(h) We embrace the wide diversity of our cities as the heart of civic engagement. We recognize that while technology opens immense opportunities it also has the potential to distance residents and leave them outside the participation sphere. We commit our endeavours to bridging the digital divide and ensuring accessibility to the civic arena to all citizens.

Recommendations

Adopting a smart civic engagement strategy

8. We undertake to persistently act to create a climate that facilitates the formation of collaborations between residents, business establishments, third sector organizations and the municipality, while making use of cutting-edge technologies that enable learning, creativity and sharing to achieve social and economic prosperity.

9. We propose that smart civic engagement should be embedded in the strategic framework and vision for the city, as central guidelines to leverage development and well-being. Smart civic engagement, in fact, can be effectively used in strategic urban planning. Strategic urban planning is a cyclical process that enables a city plan to be under continuous review to meet the evolving needs and aspirations of the citizens of the city, while providing decision-makers with an extremely useful tool.

10. We recommend that, while planning for our cities, we take into account the need to continually build citizen trust and capacity, which is at the core of the plan and ensuing actions. Transparency and continual participation, together with the early implementation of projects and/or programmes arising from the plan, helps to build public confidence in its merits, while at the same time strengthening the municipality's problem-solving capacity.

11. We emphasize the importance of the following principles as a basis for planning with smart civic engagement:

(a) A multidisciplinary approach: many aspects of city life should be addressed;

(b) Wide public participation: representatives of the city's residents and other stakeholders should be closely involved in the plan's formulation;

(c) Consensus-building: the process should be designed to help various interest groups to reach consensus over a wide range of themes and issues;

(d) Early completion: the plan should be produced in a relatively short amount of time;

(e) Early formulation of action plans: action plans, designed to different time scales, should be produced for implementation, while the strategic plan is still in preparation, which helps to build confidence in its value;

(f) Transparent planning process: the public should be enabled to follow the plan's evolution on the municipal website and through other media;

(g) Empowerment of the municipality: the plan should provide the municipality with new tools to guide urban development in a smart and sustainable way, while meeting the needs and aspirations of its citizens.

Vision of a citizen-centred municipality

12. We recommend that the vision underpinning the city plans call for a local governance model in which citizens are at the heart of its objectives. Citizen welfare should be at the heart of a citizen-centred municipality. The services supplied must

reflect professionalism, excellence and honesty. Staff members must be loyal to the municipality and its mission and attentive to the needs of individuals, groups and communities, as well as possess a sense of commitment to provide the best possible services to all.

Civic engagement becoming the norm

13. We emphasize that the success of a city plan is its coherence, with each line being continuously developed, creating the necessary mechanisms for implementation and a continuously growing municipal toolbox.

14. We encourage a corporate culture that supports public participation and support the diverse municipal units in implementing participatory processes.

15. We advocate public dialogue as a normative operating mode of the municipal units, a two-way action, both responding to bottom-up initiatives and introducing top-down actions.

Creating multiple platforms for continuous civic engagement

16. We recommend extensive investment in developing tools and integrating the concept of public participation in the municipalities, including:

(a) Physical planning processes: to develop methodologies and procedures regarding notification and public participation in planning processes;

(b) Dialogue programmes: to develop briefs and guidelines for conducting community and neighbourhood meetings and programmes;

(c) Digital and social media tools: to develop innovative platforms for public engagement and participation;

(d) Training: to implement training programmes for municipal staff involved in public participation and training programmes, workshops, seminars and personal coaching for senior executives in the municipality;

(e) Virtual working environment: to develop municipal portals where employees can share knowledge and information about the concepts and processes of public participation;

(f) Municipal workplans: to promote public participation in decision-making and set this as a target in municipal objectives and workplans.

Smart civic engagement

17. We recommend persistently pursuing the utilization of cutting-edge technologies to enable learning, creativity and sharing in order to achieve social and economic prosperity. Smart technologies should become an integral part of the city civic engagement framework, emphasizing smart engagement in decision-making processes and the wisdom of the crowd as a means for effective municipal management in the new age.

18. We also recommend striving to use the technological and social tools available to the city to enable better use of information and communications technologies to streamline the management of existing resources, save on energy costs, provide improved service, enhance the quality of life and fulfil the objectives of the sustainable city concept.

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Habitat III thematic meeting on metropolitan areas

Note by the secretariat

The secretariat of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) hereby transmits the outcome document of the Habitat III thematic meeting on metropolitan areas, held in Montreal, Canada, on 6 and 7 October 2015.

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Outcome document of the Habitat III thematic meeting on metropolitan areas

Montreal Declaration on Metropolitan Areas

Fostering metropolitan cooperation for sustainable urban development

Global metropolization

An increasingly urban world

1. We live in an increasingly urban world. For the first time in history, more than half of the world's population live in cities. By 2050, this proportion will reach nearly 70 per cent. At the time of the second United Nations Conference on Human Settlements (Habitat II), held in Istanbul, Turkey, in 1996, the world had 2.6 billion urban residents. It is estimated that by the time that the global community meets in Quito for the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) in 2016, the number will have risen to 4 billion. According to the Organization for Economic Cooperation and Development, by the end of the present "metropolitan century", most of the urbanization on our planet will likely have been completed, with about 85 per cent of the world's population living in cities by 2100. This rapid urban growth will be observed especially in the countries of sub-Saharan Africa, Asia and Latin America.

The rise of metropolitan areas

2. Currently, amid growing urbanization and suburbanization, cities are often part of larger metropolitan areas with high population densities, where the development of transportation infrastructure has both boosted trade, and expanded commuting distances. Social, geographical, economic, cultural and institutional contexts help define metropolitan areas, which vary worldwide. These areas, which are usually composed of one or more central cities with high population densities and large job pools, encompass a large labour pool within which most of the members of the population live and work. Relatively autonomous, they nevertheless interact with other metropolitan areas and other communities. The populations living in these areas are growing continuously. According to the latest United Nations population estimate, 50 per cent of urban residents live in agglomerations of 500,000 people or more.

Socio-spatial and socioeconomic inequalities

3. The transformation of our landscapes through the emergence of metropolitan areas is taking different forms, depending on the area. Growing urbanization sometimes leads to socio-spatial and socioeconomic inequalities, notably because of the absence of well-planned urban development and the inadequacy of investments, which sometimes cause an imbalance between city centres and the periphery.

Hubs of the globalized economy and culture

4. Now, more than ever, metropolitan areas, owing to their concentration of population and activities, play a key role in the social, cultural, environmental and economic development of nations. In most countries, metropolitan areas have

become the main hubs of the globalized economy and of culture, and key drivers of economic growth and innovation. As they account for a high share of gross domestic product (GDP) and exert a dominant influence on trends in human development, those areas attract both qualified workers and migrants seeking better job opportunities, including in the informal sector, and people who are hoping for a better quality of life. In most cases, higher-level economic functions are concentrated in metropolitan areas.

Metropolitan challenges

Significant challenges

5. The wave of urbanization in the twenty-first century can benefit individual residents, communities, countries and the planet as a whole. At the same time, however, significant challenges will have to be addressed through better planning and management, particularly for future generations.

Challenges facing metropolitan areas

6. More than ever, the challenges facing cities around the world in terms of urban planning, encompassing transportation, safety, urban revitalization, social inclusion and cohesion, environmental protection, water, air, energy, sanitation and climate change, are extending beyond local boundaries and, in view of our limited resources, are posing a challenge to production and consumption patterns. As more people move into the metropolitan areas surrounding central cities, local governments must innovate in terms of democratic decision-making and supra-local governance and develop new inter-territorial coordination strategies and mechanisms, so that they can face metropolitan area-wide challenges and enhance inter- and intra-cooperation aimed towards achieving attractiveness, competitiveness and social inclusion and cohesion.

Disparities of urban growth

7. The accelerated pace of urban growth can magnify economic, social and territorial disparities and, in certain areas, exacerbate shortages of basic goods and services which are essential to urban living, accelerate degradation of the environment and health and entail significant cost increases. In developing countries, rapid urban growth raises issues related to transportation and mobility, land-use (in some areas where it is difficult to exercise control over land values) and employment and can lead to the increasing precariousness of housing and slum conditions, as a result of the massive migration of people to urban centres or to the outskirts of big cities in search of better job opportunities.

Revising funding models

8. Globalization and financialization of the economy, particularly of urban economies, challenge established funding models in many large cities. Based on recent experience, the investments required in urban areas could increase significantly over the next decade. In order to ensure the mobilization of the massive investment needed to meet metropolitan challenges and increased responsibilities, the funding of metropolitan areas should be adapted to this reality.

Transforming our metropolitan world

Goal 11 of the 2030 Agenda for Sustainable Development

9. A series of goals related to the challenges that cities are facing have been identified in the 2030 Agenda for Sustainable Development. Goal 11 is to make cities and other human settlements inclusive, safe, resilient and sustainable. The targets for 2030 address, inter alia, access to affordable housing; safe, affordable and sustainable transport systems; open green, public and natural spaces; good water quality; and clean and renewable energy. They also focus on protecting the world's cultural and natural heritage and fostering balanced economic, social, cultural and environmental links between urban, peri-urban and rural areas through the strengthening of national and regional development planning and the promotion of social, territorial and technical innovations.

Metropolitan planning in support of sustainable communities

10. If metropolitan areas are well planned and well developed, for example, through integrated participatory planning, solidarity and management approaches, they can help promote the establishment of local, regional and national communities that are economically, socially, culturally and environmentally viable.

An integrated and inclusive approach

11. In this regard, we need to adopt an integrated and inclusive approach to metropolitan development and human settlements which provides for affordable and adequate housing, for cultural and social services including education, for healthy environments and for infrastructure and which prioritizes slum upgrading, urban regeneration and measures designed to ensure the rights of existing populations.

12. In the light of the foregoing:

Promoting sustainable metropolitan development policies

(a) We undertake to promote integrated sustainable metropolitan development policies which support inclusive housing, social services, gender equality, our cultural heritage and a safe and healthy living environment for all (particularly children, youth, women, older persons, indigenous peoples and the disabled), green spaces, clean air and water, a wide range of employment opportunities, and affordable and sustainable transportation and energy policies;

Responding effectively to growth

(b) We recognize the importance of increasing the number of metropolitan areas that implement policies for sustainable urban planning and development in order to meet effectively the challenge presented by the expected growth of urban populations in the coming decades;

Sustainable mobility

(c) We recognize that transportation and mobility are central to the sustainable development of metropolitan areas. Sustainable mobility can enhance economic growth, improve accessibility, stimulate revitalization and foster improved economic and social inclusion while respecting the environment.

Therefore, we must work towards facilitating the free movement of people and goods, along with access to an environmentally sound, safe and affordable transportation infrastructure, with a view to improving social equity, health, city resilience, urban-rural linkages and the productivity of rural areas. Furthermore, we must promote active transportation which contributes to the reduction of congestion and an increase in community well-being;

Compact and mixed-use development

(d) We recognize that compact and mixed-use cities foster sustainable urban development, notably by creating jobs, reducing spending on infrastructure, increasing equity in access to public services, improving air quality, reducing congestion and mitigating urban sprawl;

Waste management

(e) We support the sustainable and cooperative management of waste through the application of the 3 Rs (reduce, reuse and recycle) in order to meet spatial, technical and economic waste management challenges;

Disaster risk

(f) We recognize the importance of integrating natural and man-made disaster risk reduction into metropolitan planning and management, so as to increase community resilience to such events;

Climate change

(g) We recognize the key role played by metropolitan areas both in the fight against climate change and the putting in place of policies designed to enable adaptation to the impacts of global warming, and as leaders in the advances along the road towards low-carbon urban development;

A rural-urban balance

(h) We recognize the interdependence of rural and urban regions and the need to achieve a balance between both regions in regard to promoting equitable, managed and mutually reinforced development;

Eradicating poverty

(i) We undertake to work towards improving the quality of human settlements, including living and working conditions, with a view to eradicating poverty, so that all people have access to basic services, housing and mobility;

Sustainably conserving and enhancing the natural and cultural heritage, biodiversity and landscapes

(j) We recognize the important role played by the cultural and natural heritage, including biodiversity and landscapes, in defining the identity of citizens and human settlements in metropolitan areas and the need to protect, rehabilitate and promote resilient ecosystems;

Promoting diversity and creativity

(k) We recognize the importance of cultural and ethnic diversity and are committed to providing the resources and opportunities needed for the development of creativity;

An integrated planning approach

(l) We undertake to promote an integrated approach to planning and building sustainable cities and metropolitan areas, for example, by supporting local, regional and metropolitan authorities; by increasing public awareness and enhancing the participation of citizens, including the most vulnerable people and marginalized communities, in decision-making through the use of collaborative processes accessible to the whole community; and by relying on the contribution of academia;

Citizen participation

(m) We recognize the importance of citizen participation in the decision-making process that leads to investment-related choices and in urban and metropolitan planning, and the contribution to fostering a common understanding of local and metropolitan issues made by the public and institutional spaces that enable participation;

Involving multiple stakeholders

(n) We recognize that urban and metropolitan planning benefits from the involvement of multiple stakeholders, and from the full use of data disaggregated by age, gender and territory on, for example, sociodemographic and economic trends;

The right to the city for all

(o) We recognize the importance of placing the concept of the right to the city for all at the centre of metropolitan policies, so as to join citizen participation with the right to education, health, housing and work, and the recognition of and respect for differences, in order to promote cohabitation, friendly interaction, a strong metropolitan identity and a strong sense of belonging;

Role of national, regional and local governments

(p) We recognize the legitimacy of municipalities and other levels of government, within their jurisdictional boundaries, as regards setting out a coherent vision for metropolitan areas;

Metropolitan cooperation through partnerships

(q) We recognize that partnerships among cities, communities and national Governments play an important role in promoting sustainable metropolitan development. In this regard, we underscore the need to strengthen existing cooperation mechanisms and platforms, such as partnership arrangements and other tools that advance coordinated implementation of metropolitan cooperation, in accordance with the Habitat Agenda.[1] This will be achieved with the active

[1] *Report of the United Nations Conference on Human Settlements (Habitat II), Istanbul, 3-14 June 1996* (A/CONF.165/14), chap. I, resolution 1, annex II.

involvement of all United Nations partners and will have as its overall aim the achievement of sustainable urban development and a balance between urban and rural regions;

Suitable financing

(r) We recognize the importance of promoting financing suited to the challenges associated with metropolitan areas, encouraging better sharing of available resources between local communities and other levels of government and, in view of our limited resources, improving management efficiency.

Implementing metropolitan mechanisms

Contribution of metropolitan areas to the Sustainable Development Goals and the New Urban Agenda

13. The Istanbul Declaration on Human Settlements, adopted by the United Nations Conference on Human Settlements (Habitat II),[2] recognized local authorities as key partners for sustainable urbanization (para. 12). Therefore, the New Urban Agenda to be discussed at Habitat III must reiterate the importance of empowering local authorities and must now take into account metropolitan areas and the mechanisms required to meet the challenges associated with those areas.

Metropolitan cooperation and governance

14. Amid increasing urbanization, metropolitan cooperation may help to address issues extending beyond local boundaries in several strategic areas, with a view to ensuring the competitiveness, attractiveness and social inclusion and cohesion of the entire metropolitan area, in keeping with sustainable development principles.

15. Metropolitan governance requires a clear legal and institutional framework, based on principles of democracy, respect for local autonomy and subsidiarity. This framework must be provided with appropriate funding, which involves coordination mechanisms and sectorial (infrastructure, economic development, environmental, social and cultural) policies. Cooperation at the metropolitan level should be based on the representation of all citizens and stakeholders, regardless of their different mobilization, resources and engagement capabilities.

16. Such a framework and such cooperation would facilitate land-use planning, including the construction and operation of public transit, reduce disparities in public service provision, help manage urban growth, facilitate land-use coordination with transportation projects, and protect and enhance natural assets.

Metropolitan policy and resource distribution

17. Therefore, metropolitan policy must become the cornerstone of international and national economic policy, since metropolitan areas are the drivers of innovation and productivity worldwide. Metropolitan areas can also produce and distribute resources so as to foster better livelihoods for urban and rural residents alike.

[2] Ibid., annex I.

Metropoli..n financing

18. In order for the full potential of the planning process to be realized, metropolitan financing mechanisms must also be implemented to enable the achievement of metropolitan goals, with respect to transportation, social housing, and protection and enhanc ement of natural environments and other amenities.

New partnerships for metropolitan governance mechanisms

19. National Governments, together with local, regional and metropolitan officials, must develop cooperation mechanisms to meet the urbanization and sustainable development challenges that they face. These include metropolitan governance mechanisms aimed at reinforcing metropolitan management capacity, managing sustainable urban growth, coordinating land-use and transportation projects, strengthening the control of speculation and the security of land tenure, promoting economic development, supporting social and cultural diversity, fighting against social exclusion, fostering resilience to disasters and protecting and enhancing the natural environment and heritage. This will entail higher levels of democracy, public participation and decentralization policies.

Effective leadership for metropolitan prosperity

20. The success of metropolitan areas depends on effective public, private and civic leadership. Local, regional and metropolitan institutions that are democratic and accountable, together with elected officials within cities and national governments, must be committed to coordinated action and embrace a shared vision aimed at accommodating diverging viewpoints. A strong framework is required to support urban areas, and concerted action emanating from all levels of government is needed.

A new multilevel metropolitan cooperation partnership

Metropolitan cooperation

21. The Montreal Declaration on Metropolitan Areas recognizes the importance of increasing the number of accountable, capable, inclusive and socially just metropolitan areas which implement policies for sustainable urban planning and development in order to meet effectively the challenge presented by the expected growth of urban populations in the coming decades. Sustainable urban planning must engage multiple stakeholders and entail suitable financing. Metropolitan cooperation plays an important role in setting forth a vision for sustainable and cohesive urban regions, extending from the very outset of the metropolitan planning process through to the revitalization of older cities and neighbourhoods, and encompassing, for example, adoption of energy efficiency programmes for building management, adoption of food security programmes, ensuring connectivity of green spaces and development of sustainable and locally appropriate transportation systems. We further recognize the importance of mixed-use planning and of encouraging non-motorized mobility, for example, through promoting pedestrian and cycling infrastructure. Furthermore we recognize the necessity for promoting gender equality.

Contribution to the New Urban Agenda

22. The Montreal Declaration on Metropolitan Areas proposes that the following contribution be considered in the New Urban Agenda, to be adopted at Habitat III, to be held in Quito in 2016:

A shared vision and multilevel collaboration

23. The Montreal Declaration on Metropolitan Areas recognizes that, to meet the challenges and opportunities of global urbanization, all levels of government will have to share a common vision in order to establish coherent strategies aimed at implementing the right to the city and improving the quality of life in urban, peri-urban and rural areas.

Relationship with all levels of government

24. If we are to meet these many challenges, we must step up our relationships with all levels of government. This is a necessity because economic, social, cultural and environmental development is governed by interdependent public policies. Metropolitan areas thus require the cooperation, integration, solidarity and concerted action of all levels of government.

Comprehensive partnership agreements

25. The Montreal Declaration on Metropolitan Areas recognizes that multilevel metropolitan cooperation partnerships should be implemented to promote the benefits of metropolitan cooperation. Such partnerships are intended to improve the standard of living and quality of life of metropolitan citizens. They also aim at:

Role of metropolitan areas

(a) Recognizing the role of metropolitan areas in the sustainable economic, social, cultural and environmental development of urban and rural areas and countries;

Importance of business, labour and community stakeholders

(b) Recognizing the importance of business, the real estate sector, labour and community stakeholders, particularly within the education, civil society, social, cultural and environmental sectors, and within urban networks, as partners in implementing multilevel metropolitan cooperation partnerships;

Effective metropolitan governance

(c) Implementing effective metropolitan governance structures, mechanisms and arrangements directed towards facilitating the adoption and monitoring of successful policies which meet the challenges of sustainable, safe and equitable urbanization, in particular access to water, energy and sanitation and the fight against and adaptation to climate change;

Research-based knowledge

(d) Inviting local, national and international authorities to work with universities in transforming their knowledge and innovation capacities into concrete action in order to benefit citizens and assist authorities in their pursuit of improved governance.

Governance, democracy and international cooperation

26. These multi-stakeholder partnerships should be based on principles of good governance and democracy which ensure citizen participation, access to information, transparency and accountability, under either formal or informal arrangements. They must also be part of a commitment to achieving international cooperation among metropolitan areas so as to ensure improved sharing of expertise, promote social innovation and access to new technology, strengthen their management capacity and increase solidarity.

Follow-up, monitoring and research

International observatory for the advancement of metropolitan cooperation

27. Knowledge and research related to metropolitan areas should be strengthened through both existing and new platforms, such as an international observatory for information exchange and for the advancement of cooperation towards achieving sustainable metropolitan development.

Promotion and follow-up committee

28. Pursuant to the Montreal thematic meeting on metropolitan areas, a committee composed of the Chairs and Co-Chairs representing the national Governments, local authorities and civil society that participated in the meeting will promote the proposed principles and actions, as set out in the Declaration, within the context of the upcoming formulation of the New Urban Agenda at Habitat III, to be held in Quito in 2016.

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Habitat III Asia-Pacific regional meeting

Note by the secretariat

The secretariat of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) hereby transmits the outcome document of the Habitat III Asia-Pacific regional meeting, held in Jakarta on 21 and 22 October 2015.

16-09030 (E) 140616

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Outcome document of the Habitat III Asia-Pacific regional meeting

Jakarta Declaration for Habitat III: "Sustainable urbanization to accelerate development"

We, the Asia-Pacific national government delegations, as well as a wide range of stakeholders, including local and regional authorities, intergovernmental organizations, United Nations agencies, professionals, academics, representatives of the private sector and civil society, and women, children and youth, participating in the Habitat III Asia-Pacific regional meeting in Jakarta on 21 and 22 October 2015, generously hosted by the Government of Indonesia,

Having met to discuss the challenges and opportunities of urbanization for further sustainable development in the Asia-Pacific region, ahead of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III),

Expressing our sincere gratitude and appreciation to the Government of Indonesia for the excellent organization of the meeting and our gratitude to the people of Indonesia for the warm hospitality accorded to all participants,

Welcoming the decision of the seventieth session of the General Assembly to approve the 2030 Agenda for Sustainable Development and the Sustainable Development Goals, including Goal 11: "Make cities and human settlements inclusive, safe, resilient and sustainable",

Hopeful that a new agreement on climate change will be reached at the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, to be held in Paris from 30 November to 11 December 2015,

Welcoming the call for action resulting from the Sixth Asia-Pacific Urban Forum and the Urban Youth Assembly, held alongside the Habitat III Asia-Pacific regional meeting in Jakarta in October 2015,

Bearing in mind the large diversity of the Asia-Pacific region, which hosts developed and least developed countries, highly and less-urbanized States, landlocked countries and small island developing States, as well as countries in conflict and fragile States,

Recognizing that, in the 20 years since the second United Nations Conference on Human Settlements (Habitat II), urbanization in the region has been extensive, resulting in 2.1 billion people living in cities and towns and the emergence of cities as drivers of economic growth, as well as a large and growing middle class, and also recognizing that it is a region with extreme inequalities, inadequate affordable housing and basic service provision, as well as uncertainty and vulnerabilities relating to global economic trends, climate change and natural disasters,

Mindful of the fact that the Asia-Pacific region has a unique, diverse and rich history of urbanization processes, city building and community organization, and agreeing to seek effective approaches, strategies and tools that are not only able to respond to the specific challenges of the region, but also contribute to addressing larger global issues,

Cognizant of the key role of well-managed and sustainable urbanization as a source of development and well-being of societies,

1. *Strongly recommend* that comprehensive, long-term and focused political commitment and leadership be promoted at the global, regional, national and local levels for the achievement of Sustainable Development Goal 11 and other Goals by operationalizing a new urban agenda for inclusive, safe, resilient and sustainable cities and human settlements;

2. *Advocate* a radical shift in the way cities are planned, developed and managed, with people seen as change agents rather than beneficiaries, which requires an integrated approach to urbanization that includes the effective deployment of appropriate and progressive urban legislation and policy frameworks, sound and innovative financing mechanisms, appropriate land governance, quality urban planning and design, and a strong civil society that is more effectively engaged in decision-making, as well as the implementation and monitoring of urban development;

3. *Recommend* the formulation of integrated, multisectoral and participatory national urban policies and strategies to provide a national framework to guide urban development in the medium and long term;

4. *Also recommend* enabling the creation of stronger linkages between urban and rural areas to achieve more balanced economic and social development;

5. *Encourage* the development of systematic solutions to maximize and promote the sustainable use of natural resources and reduce emissions while continuing to meet human needs;

6. *Reiterate* the need to strongly incorporate sustainable urbanization into the strategies to mitigate and adapt to the effects of climate change;

7. *Urge* the formulation of pro-poor and informal sector-focused strategies to manage urban risks and improve resilience, recognizing that disasters and climate change disproportionately affect the poor and marginalized;

8. *Encourage* the mainstreaming of disaster risk assessments into land-use policy development and their implementation in urban and rural areas;

9. *Call upon* national Governments and local authorities to develop and implement well-focused strategies and programmes to alleviate urban poverty and reduce inequalities, among others, through the provision of adequate land, affordable housing and basic services, including for informal settlements;

10. *Recommend* the design of appropriate policies and people-centred investments, taking into consideration the needs of all stakeholders, especially children, young people, women, older persons, the self-employed, informal sector workers, migrants, minorities and other vulnerable groups, so that they equally engage in, collaborate on, lead and benefit from future urban development;

11. *Emphasize* the importance of intergovernmental cooperation on incoming migration and displacement to urban areas;

12. *Call upon* all spheres of government to work collaboratively with other stakeholders to manage the increasing diversity and demographic complexity of our cities in order to reduce conflict and strengthen social cohesion;

13. *Encourage* actions to strengthen the social mix and diversity of cities, furthering cultural interactions, including through the promotion of affordable housing and urban renewal within cities;

14. *Also encourage* the promotion of historical heritage and cultural identity to foster the urban economy and liveability;

15. *Recommend* encouraging well-planned, productive and integrated city growth to ensure sustainable mobility, safe and accessible public spaces, including green spaces, urban regeneration and infill in order to contain urban sprawl, thereby promoting access to affordable, reliable and sustainable modern energy services and energy efficiency;

16. *Also recommend* planning principles for cities and human settlements to develop appropriate compactness and mixed economic use in the built area to reduce mobility needs and service delivery costs per capita, as well as harness density and economies of agglomeration;

17. *Advocate* taking the opportunities and advantages of advanced urban technology, including information and communications technology, to ensure equitable information access towards building transparent, democratic, "smart" and efficient cities;

18. *Encourage* deriving new and effective multilevel and collaborative governance systems to better manage the complex challenges of interconnected urban spaces and not be constrained by the limits of administrative and political boundaries;

19. *Recommend* filling the human, financial and organizational resource gap faced by municipal authorities in the quest to manage rapid urbanization, including through specific mechanisms to allocate direct resources at the municipal level;

20. *Urge* the promotion of the implementation of urban interventions based on sound financial plans using innovative funding sources and mechanisms, including the private sector and philanthropies;

21. *Commit ourselves* to promoting partnerships between national and local authorities, traditional leaders and other urban stakeholders, focusing on knowledge exchange, the formulation of solutions, policy dialogue and capacity development;

22. *Advocate* that urban development strategies include clear, transparent and measurable indicators that should be used to monitor and evaluate progress and achievement;

23. *Call for* enhanced South-South collaboration and the continued effective support of all United Nations agencies and programmes, as well as other international organizations, for countries in the development and implementation of their urban policies and strategies to create and manage a coherent and interconnected systems of cities, including metropolises and small and medium cities, that are sustainably integrated and synergic with their rural territories;

24. *Commit ourselves* to promoting the principles and the recommendations included in this Jakarta Declaration for Habitat III, ensuring that it contributes to the upcoming third session of the Preparatory Committee, to be held in Surabaya, Indonesia, in July 2016, as well as to the formulation of the New Urban Agenda at the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), to be held in Quito in October 2016.

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Habitat III thematic meeting on intermediate cities: urban growth and renewal

Note by the secretariat

The secretariat of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) hereby transmits the outcome document of the Habitat III thematic meeting on intermediate cities: urban growth and renewal, held in Cuenca, Ecuador, from 9 to 11 November 2015.

16-09031 (E) 090616

Please recycle

Outcome document of the Habitat III thematic meeting on intermediate cities: urban growth and renewal

Promoting networks of intermediate cities to achieve sustainable and territorial development

We, the participants in the Habitat III thematic meeting on intermediate cities: urban growth and renewal, hosted by the municipality of Cuenca, Ecuador, from 9 to 11 November 2015, representing a wide range of stakeholder groups, including civil society, national Governments, local and regional authorities, intergovernmental organizations, the United Nations system, academicians, researchers and professionals, the private sector, farmers, foundations, philanthropies, women, youth and children,

Gathered to discuss the relevance of intermediate cities in the overall configuration of territorial systems and their contribution to sustainable development ahead of the formulation of a New Urban Agenda at the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), to be held in Quito from 17 to 20 October 2016,

Express our sincere gratitude and appreciation to the municipality of Cuenca for the excellent organization of the conference and our gratitude to the residents for the warm hospitality accorded to all participants,

Reaffirming the need and the responsibility to achieve sustainable urbanization to promote economically, socially and environmentally sustainable societies,

Welcoming the adoption by the General Assembly at its seventieth session of the document entitled "Transforming our world: the 2030 Agenda for Sustainable Development", including the Sustainable Development Goals and, in particular, Goal 11, "Make cities and human settlements inclusive, safe, resilient and sustainable",

Noting that climate change impacts are unfolding rapidly, thereby undermining the livelihoods of people in cities and human settlements, threatening poverty eradication efforts and putting at risk the achievements of the Sustainable Development Goals, emphasizing the need for ambitious action towards sustainable urbanization in order to mitigate and adapt to the effects of climate change and, to that end, hopeful that a new agreement on climate change will be reached at the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, to be held in Paris from 30 November to 11 December 2015,

Recognizing the potential contribution to sustainable development of all sections of society, including persons and groups in vulnerable situations, as well as their specific needs,

Recognizing also the need for a holistic and inclusive approach to sustainable urban development that guarantees the full exercise of citizenship and the realization of all human rights, including the right to development,

Bearing in mind that the concept of intermediate cities stems from their role as intermediaries within a territorial system, interacting with bigger cities, towns and other human settlements and more effectively articulating urban-rural linkages,

Mindful of the differences of population size considered to define intermediate cities, which may vary in different regions, ranging from 20,000/50,000 inhabitants to 500,000 inhabitants and up to 1 million inhabitants in specific countries and regional contexts,

Appreciating that, whereas the world is now predominantly urban, currently more than half of the urban population lives in small and intermediate cities,

Recognizing that intermediate cities, for their size, offer opportunities for more effective governance and management and may facilitate improved social cohesion and a sense of identity and belonging as well as a balanced relationship with the surrounding natural environment,

Recognizing also that intermediate cities offer government administrative functions related to security, health, education, social services and culture closer to their population,

Recognizing further that intermediate cities offer services to rural areas and as such often become "stopping points" for populations that could have migrated to larger cities and metropolises, and that these towns can be in a better position to offer decent jobs as well as land and housing at a fraction of what they would cost in a big city and often with a higher quality of life,

Bearing in mind that compactness, density and connectivity, integrating the natural proximity factor of small and intermediate cities, potentially make intermediate cities more resilient, efficient and economically viable, and reduce the environmental footprint and the contribution of such cities to climate change,

Mindful of the role of intermediate cities in promoting balanced regional sustainable development, through the integration of urban and rural functions into the regional and national spatial system, strengthening the linkages within the territory, alleviating poverty, providing a market for agricultural produce and extending basic services to rural areas,

Cognizant of the current strong pressure many intermediate cities are experiencing to achieve rapid growth and the related difficulties to manage urban development and meet new demands for housing, land, infrastructure and basic services apart from the associated risk of losing their comparative advantages in terms of economic viability, social cohesion and quality of life, as well as their environmental sustainability,

Noting that small and intermediate cities often have limited capacity to effectively anticipate and finance planned extension and to enforce measures to control unplanned development and avoid the formation of informal settlements,

Noting with concern the current decline of density in favour of escalating sprawl and unplanned peri-urbanization of intermediate cities, which poses challenges to the management and sustainability of intermediate cities, implying higher costs of infrastructure and maintenance, affecting the advantage of agglomeration economies and the unnecessary loss of agricultural and other productive land as well as land with environmental value,

1. *Advocate* for the development of a more balanced system of cities and human settlements through inclusive national urban policies and strategy

frameworks, as well as effective regional and territorial planning, to ensure better distributed urban growth;

2. *Also advocate* for the provision of appropriate legal, fiscal and organizational frameworks to promote balanced and responsive urban development, strengthened social equity and gender equality as well as the full realization of human rights, in accordance with the religious and cultural values of individual countries and their sovereignty;

3. *Encourage* strengthening the coordination between different levels of Government, implementing the principle of subsidiarity, in the planning and implementation processes of intermediate cities, which should include the development of multi-actor partnerships and inter-municipal cooperation mechanisms, and overcoming challenges related to administrative-boundary constraints;

4. *Recommend* that civil society participation in decision-making and planning processes be promoted, including in implementing and monitoring policies as well as in defining appropriate indicators, which should be done while strengthening capacity, with particular attention to youth and women as well as persons in vulnerable situations;

5. *Also recommend* that resilience in cities be strengthened in order to reduce citizens' exposure and vulnerability to climate change and other economic, social and environmental shocks, including natural and anthropogenic disasters;

6. *Advocate* for a global commitment to cooperate internationally in sustainable urban development that allows access by stakeholders in intermediate cities to finance, technology and capacity-building, based on principles of equity, good governance, transparency, accountability and solidarity;

7. *Also advocate* for the recognition of the importance of placing the right to the city for all, encompassing the notion of accessibility and affordability, at the centre of urban development policies, combining citizen participation with the right to education, health, housing, services and employment opportunities, recognizing diversity and promoting conviviality, identity and a sense of belonging;

8. *Recommend* that the processes of fiscal, political and administrative decentralization be strengthened, with a clear distribution of tasks, responsibilities and resources, building the capacity of local governments to promote effective citizen participation and implement sustainable urban development policies;

9. *Advocate* for the adoption of culture as a key tool for promoting sustainable urban development, by preserving the urban, environmental and cultural identity of cities, fostering the quality of life and the development of a creative economy, thus contributing to poverty eradication and increasing social cohesion;

10. *Encourage* adequate investments in small and medium urban centres, including market centres, focusing on food security, capacity-building, sustainable infrastructure and the provision of basic services, the creation of decent jobs and the strengthening of social cohesion, and also encourage the promotion of the role of small and intermediate cities in strengthening food security systems through the provision of sound infrastructure, access to land and effective trade links, to ensure that small-scale farmers are linked to larger supply chains;

11. *Recommend* that sustainable and integrated approaches to urban growth and regeneration be furthered, based on the assumption of a correlation between urbanization and development, which should consider ensuring adequate planning rules and regulations for the design, production and management of efficient and equitable human settlements, qualitative and inclusive urban planning and design and efficient and transparent municipal finance systems to ensure effective investments and management, as well as the equitable redistribution of benefits generated by urban development;

12. *Also recommend* that urban regeneration, renewal and informal settlement upgrading processes be developed, which should not be implemented at the expense of vulnerable inhabitants of cities and should be based on inclusive participatory planning, oriented to harnessing the cultural diversity and identity, as well as the urban heritage, both tangible and intangible, of the intermediate cities;

13. *Further recommend* that rapid growth in intermediate cities be anticipated and addressed through planned cities extensions and infill, including upgrading of informal settlements, with the aim of sustaining density, compactness and connectivity;

14. *Encourage* ensuring social and cultural mix as well as mix of uses in order to maintain the "good vibrancy" of the city and foster proximity factors, so as to enhance the quality of life and social inclusion, reap the benefits of agglomeration economies, reduce energy demand as well as transit time and emissions, towards the improved health of citizens as well as low-emission and climate-resilient development;

15. *Recommend* that policies and interventions be further developed, including integrating mobility plans into overall urban plans, to decrease the demand for private vehicles in urban centres and discourage urban sprawl, which may include ensuring the political and financial commitment to develop sustainable trunk infrastructure and collective transport systems;

16. *Urge* that support be provided to local governments of intermediate cities to identify, develop and sustainably exploit local assets and urban development opportunities for inclusive growth, job creation, the maintenance of existing livelihoods and increased tax revenue;

17. *Urge* national and local governments, the private sector and civil society, to collaborate to increase economic development in intermediate cities and surrounding regions, towards increasing jobs and the creation of microenterprises for inclusive growth and increased tax revenue;

18. *Recommend* that adequate housing policies be adopted that meet existing urban planning strategies and regulations as a key factor for the development of intermediate cities;

19. *Also recommend* that accessible, safe, inclusive and quality public space be provided adequately to foster urban equity, social cohesion and better quality of life, with particular attention to women, children, elder persons and persons with disabilities;

20. *Advocate* for appropriately embracing information and communications technology opportunities to foster civic engagement, data collection and analysis for

city planning, the enhancement of transparent city management and the provision of more efficient service;

21. *Recommend* that effective public regulation of the land market be applied to ensure the equitable and sustainable provision of land suitable for urban development and the avoidance of speculation and gentrification, as well as to ensure the capture and equitable distribution of the added value obtained as a result of public decisions;

22. *Also recommend* that policies and programmes designed to support the contribution of small and intermediate cities to sustainable urbanization be informed by evidence-based and multidisciplinary research, regularly monitored and evaluated in a transparent way;

23. *Advocate* for the achievement of a truly inclusive New Urban Agenda, where no one is left behind, with a holistic and people-centred approach that informs, involves and engages civil society, including persons with disabilities and their organizations, in all aspects of urban development;

24. *Commit* ourselves to promote the principles and the recommendations included in this Cuenca Declaration for Habitat III, ensuring that this effectively contributes to the formulation of the New Urban Agenda at the next United Nations Conference on Housing and Sustainable Urban Development, to be held in Quito in October 2016.

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Habitat III thematic meeting on sustainable energy and cities

Note by the secretariat

The secretariat of the United Nations Conference on Housing and Sustainable Development (Habitat III) hereby transmits the outcome document of the Habitat III thematic meeting on sustainable energy and cities, held in Abu Dhabi on 20 January 2016.

16-09093 (E) 090616

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Outcome document of the Habitat III thematic meeting on sustainable energy and cities

I. Introduction

1. Sustainable energy must be a core focus of the New Urban Agenda to be adopted at the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), to be held in Quito in October 2016. Cities today represent over 70 per cent of global energy consumption and a roughly equivalent share of energy-related carbon dioxide emissions. They are also home to millions of urban poor who lack access to basic energy services. Affordable, reliable, sustainable and modern energy in cities will therefore be essential for the realization of both the Paris Agreement on climate change and the 2030 Agenda for Sustainable Development.

2. Cities have an unprecedented opportunity to transform, decarbonize and enhance the resilience of their energy production, supply and use. Breakthroughs in cost and business models have made renewable energy and energy-efficiency technologies not only the environmentally sound choice, but also a financially attractive possibility for a wide and growing variety of urban stakeholders. Prices of solar photovoltaic devices, for example, have declined by 80 per cent in the past five years. These new options stand out as one of the most marked changes in the urban landscape since the Second United Nations Conference on Human Settlements (Habitat II).

3. To address such an opportunity, the United Arab Emirates, the International Renewable Energy Agency and the Habitat III secretariat hosted a thematic meeting on sustainable energy and cities on 20 January 2016 during Abu Dhabi Sustainability Week, the world's largest annual gathering on clean energy. Ministers, national and subnational government officials, private sector representatives and other stakeholders came together to articulate how the New Urban Agenda could accelerate the uptake of sustainable energy solutions and align itself with the landmark climate and development goals that the international community had set.

4. Their recommendations on actions were compiled in the form of a declaration, finalized by an advisory group established as part of the thematic meeting and comprising members representing all main stakeholders. The Abu Dhabi declaration, in section III below, serves as an official input to the preparation of the zero draft of the New Urban Agenda. For context, the Declaration is preceded by a summary background in section II below.

II. Context for sustainable energy in cities

5. The thematic meeting was held against the backdrop of the Paris Agreement and the adoption of the 2030 Agenda. The twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, at its twenty-first session, had established a universal vision for mitigating global carbon dioxide emissions and the imperative of decarbonizing the economy, at the same time that sustainable energy was enshrined as Sustainable Development Goal 7 and indirectly in other Goals, such as Goal 13 on climate change. The thematic meeting forms a critical link between Habitat III, processes under the United Nations

Framework Convention on Climate Change and the Goals and can facilitate a thematic alignment and the achievement of their objectives.

6. Numerous cities around the world are implementing energy measures to meet the objectives set out in the Paris Agreement and the 2030 Agenda. Furthermore, these cities can make both short-term and long-term economic gains by doing so. There is evidence that sustainable energy is cheaper than other alternatives in a large and rapidly increasing number of countries and contexts, even before accounting for externalities. On this basis, renewables are now the dominant technology for new power generation additions, which marks a shift that had been unforeseen even recently, let alone at Habitat II. When other potential benefits are accounted for, such as better health through reduced pollution, poverty alleviation, job creation, gender equality, enhanced access to water and food, reduction of waste, less traffic and supply security, the case for sustainable energy in cities is even more compelling. With the costs for renewable energy technologies projected to continue to decline, the business case for deployment will persist well beyond Habitat III.

7. The portfolio of sustainable energy solutions is expanding on both the supply and demand side. Distributed electricity generation will become a key feature of new and existing cities, complementing sustainable utility-scale power plants, which are often located outside cities. Cogeneration and district energy networks also provide the flexibility and storage to integrate an increasing share of renewables into the energy mix, while simultaneously improving energy efficiency through demand aggregation, the increased scale of production sources and the use of waste heat. Smart grids are enabling major energy-efficiency and resilience gains, and electric transport, when based on renewable power, can make a sizeable dent in the carbon footprint of the urban transport sector. In numerous cities in developing countries, access to cleaner fuels and efficient equipment for cooking and heating households, which are currently still largely biomass-based, would address multiple development challenges such as indoor and outdoor pollution. Accelerating energy-efficiency improvements in all sectors of the economy has multiple development benefits and is a cornerstone of meeting climate targets. New technologies, business models and policy approaches are also turning unavoidable waste into energy, including surplus and low-grade wasted heat from city systems and industry, and better managing the nexus among other resources, such as water.

8. Local governments, when given appropriate responsibilities, are well placed to encourage, enable, measure and regulate sustainable energy, as well as inform the decisions on deployment options, including the adaptation to and anticipation of new technologies and changing energy requirements. Even for cities that do not control power generation directly, they may control local infrastructure and codes that can drive clean energy in end-use sectors, such as buildings, industry, transport, waste or sanitation. Municipalities can also optimize land-use patterns to increase the feasibility of energy solutions. Cities, as major purchasers of energy, can also preferentially procure sustainable energy, further stimulating investment.

9. Important challenges remain in the form of market barriers, inappropriate policy frameworks, a lack of empowerment of cities to manage energy and financing gaps, as well as a limited capacity for planning and implementation. This is particularly the case in poor and vulnerable communities, least developed countries and small island developing States, where citizens disproportionately lack

access to modern energy services. The case for poverty alleviation in this context is compelling. Improved access to sustainable energy sources for cooking, heating and powering devices represents one of the swiftest ways to improve health, economic potential and human dignity.

III. Abu Dhabi Declaration on Sustainable Energy and Cities

We, the representatives of national and subnational governments, international organizations, the private sector, non-governmental organizations, academia and civil society, participating in the Habitat III thematic meeting on sustainable energy and cities, held on 20 January 2016 during Abu Dhabi Sustainability Week,

1. *Recommend* that Habitat III establish sustainable energy as an integral part of the New Urban Agenda;

2. *Recognize* the importance of a holistic, system-wide, pro-poor perspective and of further integration of sustainable energy considerations into city planning and management, including through the use of performance metrics for energy production and consumption in zoning and land-use planning, permits, infrastructure and transport decisions;

3. *Also recognize* the importance of developing a nexus approach in the urban context, such as in the integrated management of the energy, water, waste, transport and food sectors to improve efficiencies, access and carbon footprints;

4. *Acknowledge* the need for closer cooperation among cities, utilities and national and subnational governments to ensure that sustainable energy goals are achieved expeditiously and cost-effectively;

5. *Highlight* that the following actions provide examples of effective ways to pursue sustainable energy objectives at the local level that can be endorsed by the New Urban Agenda:

(a) Promotion of and support for city-level renewable energy, energy efficiency and energy access targets for all sectors, including heating and cooling, transport and power, that contribute to meeting the aspirations and targets of Sustainable Development Goal 7 contained in intended nationally determined contributions;

(b) Development of integrated, city-scale energy and emissions plans incorporating transport, buildings, generation, heating and cooling, waste heat and solid and liquid waste;

(c) Introduction of dedicated policy and regulatory frameworks to enable the deployment of urban energy solutions, such as grid connection regulations that permit solar rooftop and cogeneration systems to feed into central or local energy grids, including for informal housing;

(d) Introduction of solar water heating requirements;

(e) Establishment of measures, such as minimum energy use targets or heat tariffs that reflect the cost of connection and the degree to which supply is guaranteed, to provide an enabling environment for converting waste heat to useful energy;

(f) Establishment of a protocol to map or identify major waste heat sources and high heating and cooling demand in cities, together with the development of city plans for heating and cooling;

(g) Establishment of mandatory and enforced disposal fees for municipal solid waste in order to reduce waste and drive waste-to-energy solutions for non-recyclable materials;

(h) Enactment of mandatory minimum energy performance standards, ratings and labels for energy efficiency in buildings, equipment and appliances, especially lighting, heating and air-conditioning units, to reduce energy consumption;

(i) Enactment of energy-efficiency measures in buildings that take into account efficiency in energy supply and target the reduction of fossil primary energy, such as through the promotion of integrated renewables;

(j) Scaling up the use of non-fossil-fuel-based transport, such as renewable energy-based public transport and electric vehicles, as well as the increased use of other forms of ecomobility and non-motorized transport;

(k) Use of planning measures to improve density, compactness and street connectivity in cities in support of the efficient provision of energy and transport services;

(l) Establishment of district-level strategies, such as the combination of building-related energy-efficiency improvements (heating systems and insulation), decentralized energy production (solar, wind, geothermal, biomass, hydro, process or waste heat from industry, commerce and households) and system efficiency and large-scale renewables integration through district heating and cooling networks (including cogeneration, waste heat, large-scale renewables and thermal storage);

(m) Establishment of cross-sectoral working groups composed of urban planners, community representatives and energy providers to work on strategies for improving access to sustainable energy in the city and in lower-income neighbourhoods;

(n) Consideration of the impacts of energy interventions on social issues, such as inequality, poverty, environmental justice and access to services;

(o) Enactment of public-private partnership frameworks in order to increase financial resources and expertise for sustainable energy infrastructure and services;

(p) Enactment of energy pricing regimes that discourage wasteful use, create a level playing field for sustainable energy technologies, shift consumption to periods with the highest availability of affordable sustainable energy and guard against negative impacts on low-income consumers;

(q) Use of protocols and accounting systems that illustrate both the life-cycle costs and the cobenefits of different energy choices for outcomes in public and environmental health, economic development, increased resilience and others;

(r) Enactment of sustainable energy public procurement policies by local governments in order to reduce environmental and carbon footprints and to foster market growth;

(s) Establishment of citywide strategies to improve the resilience of the local energy system, including the increased use of local resources, local energy storage

and distributed power production capable of providing emergency backup power and heat to vital buildings, such as hospitals and emergency shelters;

6. *Encourage* national, regional and international networks and partnerships between and with cities, as well as between large cities and their surrounding regions, to advance sustainable energy solutions;

7. *Also encourage* national Governments to establish clear planning guidance and regulations that provide local governments with a mandate to act on energy, for example in the areas of energy master planning and mapping, energy service provision and building codes;

8. *Recognize* the urgent need for the introduction of innovative financing approaches, such as city-owned revolving funds, with a focus on derisking private investment, including not only financing structures, but also models of ownership and governance and the enhanced capacity of city officials to design, execute, monitor and report on energy programmes;

9. *Encourage* consideration of improving cities' authority and capacity to take and repay loans or access other sources of finance for energy infrastructure and programmes;

10. *Also encourage* Governments to mainstream sustainable energy investment objectives into existing national development banks and publicly capitalized green investment banks;

11. *Call upon* the development community to support the deployment of sustainable energy in cities in developing countries, especially with a view to facilitating private investment, while pursuing sustainable development;

12. *Call for* commitments to capacity-building and technical assistance, especially in developing countries, as a key element of sustainable urban energy solutions;

13. *Recommend* further commitments to take non-technological measures supporting behavioural shifts, such as knowledge-sharing and public information campaigns, and recognize the important role of community engagement and education in understanding issues of climate change and energy transition;

14. *Emphasize* the critical need for commitments to incorporate the gender dimension of sustainable energy into urban planning and the implementation of sustainable energy, including through such measures as the reporting of gender-disaggregated data on access to energy and finance for energy, as well as employment in the energy sector;

15. *Commit ourselves* to promoting the principles and actions outlined in this declaration in the context of the upcoming formulation of the New Urban Agenda at Habitat III.

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Habitat III Africa regional meeting

Note by the secretariat

The secretariat of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) hereby transmits the outcome document of the Habitat III Africa regional meeting, held in Abuja, from 24 to 26 February 2016.

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Habitat III Africa regional meeting

Africa's priorities for the New Urban Agenda

We, the representatives of national government, local and regional authorities, intergovernmental organizations, United Nations agencies, professionals, academia, the private sector, civil society organizations, women, children and youth, participating in the Habitat III Africa regional meeting in Abuja, Nigeria, from 24 to 26 February 2016,

Guided by the African Union's Agenda 2063, as a strategic framework for ensuring inclusive socioeconomic transformation and, in this regard, recalling the importance it attaches to urbanization as a driver of structural transformation,

Expressing our profound gratitude and appreciation to the Government of Nigeria for convening and hosting this African regional preparatory meeting on the United Nations Conference on Housing and Sustainable Urban Development (Habitat III),

Conveying our appreciation to the people of Nigeria, in particular the residents of the Federal Capital Territory, Abuja, for the warm welcome and hospitality extended to the participants at this meeting,

Commending the Habitat III secretariat, the United Nations Human Settlements Programme (UN-Habitat) and the Economic Commission for Africa for compiling the Habitat III Africa regional report presenting the implementation of the 1996 Habitat Agenda and current urban challenges,

Commending also the African Union for its efforts on facilitating an inclusive process towards the Habitat III conference to articulate Africa's vision for sustainable urban and human settlements development in the New Urban Agenda,

Recognizing the milestones of the Habitat I and Habitat II conferences, the outcome document of the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, entitled "The future we want", relevant resolutions of the General Assembly and the Governing Council of UN-Habitat, Assembly of the African Union decision 29 (II) on urbanization and the Dakar Declaration adopted on the occasion of the fifteenth summit of the International Organization of la Francophonie, in November 2014,

Recognizing also the World Urban Forum as the foremost global arena for interaction among policymakers, local government leaders, non-governmental stakeholders and expert practitioners in the field of human settlements, especially the ninth session of the Forum, to be held in 2018 in Kuala Lumpur, as the first session to have a thematic focus on the implementation of the New Urban Agenda to be adopted at Habitat III,

Encouraging African national governments, local and regional authorities, intergovernmental organizations, United Nations agencies, professionals, academia, the private sector, civil society organizations, women, children and youth to participate at the next Habitat III thematic meeting on informal settlements, to be held in Pretoria on 7 and 8 April 2016,

Welcoming the initiative of the President of Nigeria on the African regional urban agenda and the strengthening of the partnership programme under UN-Habitat, and invite African Heads of State and Government to join and support the initiative,

Looking forward to the celebration of the twenty-second session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, to be held in Marrakech, Morocco, in November 2016, as a significant step in linking the implementation of the New Urban Agenda to the framework of the climate change agreements, and welcome the initiative by the Government of Morocco to host an African ministerial forum, in May 2016 in Rabat, to advance the debate of city policies and sustainable development,

Taking into account the recent adoption of the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, the Sendai Framework for Disaster Risk Reduction 2015-2030 and the Paris Agreement under the United Nations Framework Convention on Climate Change,

Acknowledging that the opportunities and challenges of urbanization and human settlements have increased in scope and complexity and thus has the need to harness the full potential of the existing institutional and policy frameworks as transformative instruments for economic growth and poverty reduction,

Mindful that sustainable urbanization for Africa encompasses a holistic and integrated concept of human settlements on a continuum that reinforces economic, social and environmental linkages across metropolises, cities and medium-sized towns to villages where most of the continent's population still reside, requiring a multisectoral approach that strengthens partnerships at all levels, including with non-State actors,

Aware of the emerging challenge of forced urbanization owing to, among others, conflicts, terrorism and natural disasters, which has forced populations to move en masse from rural areas to urban centres and vice versa, and across borders, stretching existing infrastructure and resulting in increased insecurity and poverty, which need to be addressed in a comprehensive manner,

Recommend the following actions:

1. Harness the potential of urbanization to accelerate structural transformation for inclusive and sustainable growth by:

(a) Allocating adequate financial resources to promote sustainable urbanization and human settlements development in order to drive structural transformation for the benefit of all citizens. This should include the promotion of land titling and registration and resource generation through land base revenue and land value capture;

(b) Promoting inclusive economic growth that translates to full employment and decent jobs, as well as improved living standards, for all;

(c) Enhancing connectivity between rural and urban areas to harness the full potential of urban rural linkages;

(d) Strengthening linkages between urbanization and structural change policies, including accelerated industrialization and agricultural modernization strategies for high productivity and value addition;

(e) Strengthening and creating systems of well-connected cities and human settlements at the national and regional levels as nodes of growth on the basis on their competitive advantages;

(f) Integrating urbanization into national development planning as a cross-cutting factor driving national growth and transformation;

(g) Prioritizing planning and investment for sustainable urban mobility systems that link people, places and economic opportunities;

2. Enhance people-centred urban and human settlements by:

(a) Ensuring access to affordable basic services, including clean water, sanitation, energy, health, education and sustainable transport, as well as employment by all citizens in order to realize their full potential, in particular young people, women and people in vulnerable groups;

(b) Strengthening institutions and spatial planning systems to foster urban safety and security and as a healthy environment and to promote inclusion through participatory approaches and consultative frameworks, with special attention given to conflict and post-conflict settlements planning;

(c) Ensuring access to sustainable, affordable and adequate housing and land, and promoting slum upgrading to ensure security of tenure and access to socioeconomic facilities, taking into account the diversity of contexts, the potential of informal economies and the rights of the inhabitants;

(d) Developing and implementing clean air policies to reduce health risks through regulatory and voluntary initiatives, working with multiple stakeholders;

(e) Developing a national system of connected cities and human settlements to enhance rural-urban linkages and to advance growth and transformation on the basis of their competitive advantages;

(f) Adopting integrated national urbanization policies in the context of national development planning to facilitate multisectoral coordination and collaboration and avoid sectoral silos;

(g) Focusing on pre-emptive, spatial and programmatic urban planning to harness the full potential of urbanization and avoid irreversible and unsustainable pathways;

(h) Accommodating cultural differences, promoting localized systems of sustainable urban development and paying increased attention to the preservation of cultural heritage;

3. Strengthen institutions and systems for promoting transformative change in human settlements, including by:

(a) Enhancing capacities for rural and urban planning, governance and management, underpinned by sound data collection and use;

(b) Promoting effective decentralized urban management by technically and financially empowering cities and local governments to deliver adequate shelter and sustainable human settlements;

(c) Facilitating the participation of urban dwellers in urban governance and management;

(d) Strengthening and harmonizing urban legislation and regulation to promote and facilitate planned urbanization;

4. Enhance the contribution of urban and human settlements development to continental integration by:

(a) Taking advantage of urban corridors at the regional level for related infrastructure and other initiatives, cross-regional interaction and movement of people;

(b) Orienting regional and interregional infrastructure, facilities and initiatives to promote cross-boundary interaction and leverage the assets of urban and human settlements;

(c) Enhancing the urban dimension of existing subregional initiatives and investments;

(d) Positioning urbanization and human settlements as a driver of competitiveness through specialization and connected urban systems, namely, infrastructure, the economy and institutions, at the regional level;

(e) Developing sustainable cities with improved urban systems for improved functionality and efficiency, including energy and resource efficiency and effective delivery of urban basic services and infrastructure;

5. Enhance environmental sustainability, resilience and effective responses to climate change in cities and human settlements by:

(a) Strengthening the capacities of local governments for strategic response to climate change adaptation and mitigation across the rural-urban continuum;

(b) Developing infrastructure that is resilient and that will reduce the impact of disasters, especially in slums and informal settlements, and building institutional capacities and mechanisms and disaster risk management and mitigation, including early warning systems and urban observatories;

(c) Promoting green building and infrastructure technologies and the application of designs that mitigate climate change and adapt to its impact, including the urban heat island effect;

(d) Fostering the utilization of sustainable renewable energy and natural resources and investment in low carbon production systems in urban centres;

(e) Promoting resource efficiency in cities to facilitate urban development in a manner that preserves rapidly diminishing natural resources and allow cities to better manage water, waste, food, land and energy;

(f) Developing systems for sustainable solid and liquid waste management, including promoting the principle of reducing, reusing and recycling resources;

6. Enhance efforts to advance a global partnership to facilitate the implementation of the new global urban and human settlements agenda by:

(a) Mobilizing financial resources from both State and non-State actors;

(b) Enhancing multi-stakeholder engagement, including the private sector, for the effective implementation of the New Urban Agenda for cities and human settlements in Africa;

(c) Enhancing capacity-building, skills and technology transfer for sustainable urban and human settlements planning and management;

7. Strengthen UN-Habitat to make it politically visible, as the key player in mobilizing all relevant actors, State and non-State, in implementing the New Urban Agenda as the outcome of Habitat III and the urban and human settlements component of the 2030 Agenda for Sustainable Development, and reiterate the importance of the Nairobi headquarters location of UN-Habitat by:

(a) Establishing universal membership at its Governing Council to give it more authority and legitimacy in decision-making;

(b) Ensuring additional, stable and predictable financial resources from both the regular and non-regular budget of the United Nations;

(c) Improving the ability of the organization to provide capacity-building to developing countries in the designing, planning, implementation and sustainable management of urban and other human settlements;

(d) Empowering UN-Habitat as the global anchor institution that mobilizes and leads all actors on the sustainable urbanization agenda and urban governance and that engages the United Nations system in the implementation of mandates on urbanization and human settlements.

In conclusion, we commit to promote the principles and the recommendations included in the present declaration for Habitat III, ensuring that this contributes to the upcoming third session of the Preparatory Committee for Habitat III, to be held in Surabaya, Indonesia, in July 2016, and to the formulation of the New Urban Agenda at Habitat III, to be held in Quito in October 2016.

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Habitat III thematic meeting on financing urban development: the millennium challenge

Note by the secretariat

The secretariat of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) hereby transmits the outcome document of the Habitat III thematic meeting on financing urban development: the millennium challenge, held in Mexico City from 9 to 11 March 2016.

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Outcome document of the Habitat III thematic meeting on financing urban development: the millennium challenge

Context

1. With 66 per cent of the world's population expected to live in cities by 2050, how will the world pay for the increasing demand for good quality urban services? In most developed countries, local governments have been the main contributors in terms of public investment for local infrastructure. In developing and the least developed countries, the fast-paced urbanization process has led to an increasing demand for basic services that most often is not matched by adequate financing.

2. We have not yet grasped the implications of this urban future. The future of humanity may depend on the implementation of the Paris Agreement under the United Nations Framework Convention on Climate Change. The well-being of the world's population requires the transformational development envisioned in the Sustainable Development Goals. The financing for development agenda promotes the blending of public and private finance to realize these global goals. Yet increasingly towns and cities are the entities that will deliver this future. Central government agencies alone will not be able to secure the investment necessary for the green cities that we need across the world. Therefore, there is a new imperative for partnerships between levels of government and a new urban agenda. Business as usual will not provide towns and cities with the finance they need. Localizing finance for inclusive change means designing and implementing a new balanced portfolio of financing instruments that meet the needs of all cities, from megacities and their challenges to the rapidly growing towns and secondary cities of the least developed countries. It will include a role for central Governments, domestic capital markets, pension funds, diaspora finance and local governments that will drive the implementation of the global goals.

3. However, despite advantageous conditions for long-term investments, as well as the recognition of the stakes for urban sustainability by many international institutions, local government finance systems are not up to the task. In recent years, investments in local infrastructure and basic local services through public financing have slowed down considerably, owing in part to fiscal austerity measures leading to underinvestment in the infrastructure necessary for urban development.

4. Institutional and private investments are also scarce, owing in part to the far-off expected return on investment in public infrastructure, coupled with risks, misconceptions, uncertainty and a lack of incentives. To find ways to unlock public and private savings for urban development represents a necessity in order to achieve the Sustainable Development Goals, in particular Goals 11 and 17, the Sendai Framework for Disaster Risk Reduction 2015-2030 and the Paris Agreement on climate, and to implement the New Urban Agenda. However, from a macroeconomic point of view, the long-term sustainability of our economic model is being threatened by a growing gap between financing needs and investment priorities. The new reality of urban infrastructure financing requires us to understand this complexity in order to be able to bring not only "technical" responses, but also macroeconomic, mesoeconomic and microeconomic responses aimed at raising collective consciousness and developing new case-specific solutions.

5. In many cases, local governments in developing and the least developed countries have depended excessively on central transfers, with weak or even non-existent capacities and/or supportive regulations to raise significant revenue from local taxes. Furthermore, local governments in most of these contexts are confronted with the impossibility of engaging with national commercial banks.

6. Although the majority of finances will have to be mobilized at the national and local levels, the development of international financing, both public and private, must be promoted as a lever to mobilize the necessary funds, either through financial markets or through the creation of mechanisms that are better adapted to cities' and regions' financing needs and conditions.

7. The magnitude of the needs to be satisfied implies a rethinking of financing systems and finding the levers from which global savings, both public and private, will be channelled to help national and local actors to face the urban challenge.

The millennium challenge

8. As one of the most important challenges that humanity will face in the years to come, financing sustainable urbanization implies the empowerment of local, metropolitan and regional governments and their private and social sector partners to address the growing needs of the population for urban services and infrastructure of good quality in an equitable and inclusive manner. The New Urban Agenda should enable the appropriate rules and regulations, qualified human resources, strategies and tools in order to plan and act to ensure adequate access to funding at the local, regional, national and international levels. This challenge is framed by the following cross-cutting fundamentals:

(a) Local development should be focused on strengthening the local economy: this is a major concern that should drive financing for development policies in general. Strengthening a development model on the basis of the mobilization of a territory's own resources is the best case for engaging local stakeholders in strong, long-lasting and resilient partnerships. Without a local economy that produces employment, equity, innovation, trade flows and networks of dynamic entrepreneurs, there is no opportunity for maintaining development policies and paying for basic service provision, operation and maintenance in the long run;

(b) Cities, whether small or big, are reliable partners: vulnerable or impoverished cities are defined as such, not because they have no wealth to build on, but because local savings are not invested locally and/or no credit is provided for local development because of a lack of confidence in and track record of successful transactions, as well as a lack of adequate financing mechanisms. Therefore, a strong emphasis on de-risking options to help to raise a credit profile should be fostered. Local governments are as reliable as national Governments;

(c) Innovation is to be supported at the local level: many local and regional governments have successfully implemented alternative solutions to finance local investments, proving that they are key actors in setting up innovative models on the basis of their endogenous human, environmental and economic resources. Many of these innovations have been tested and replicated, and they need to be better recognized by financing experts, advisory firms and international development

finance institutions in order to become part of the basket of solutions that are provided when advising on financing urban development;

(d) The right to the city, partnerships and governance: public regulations have often failed to create a framework that protects the general interest from social and spatial exclusion, especially in metropolitan areas. Local governments cannot address the multiple challenges and needs on their own, especially in times of diminished resources. A successful governance scheme entails respect for fundamental human rights, age and gender responsiveness, inclusiveness, participation, convergence, the joint elaboration and implementation of public policies through transparent and democratic institutions and processes, and the participation of all relevant actors in financial decision-making. Such a scheme, in addition to capacity-building programmes and citizenship education on responsibilities and rights, is essential for local stakeholders and civil society, including women and youth, to gain greater ownership and empowerment. The right to the city requires the deliberate redistribution of investments, services and infrastructure in a manner that prioritizes underserved areas. A full set of instruments that can foster the right to land is needed in order to prevent land from being considered merely as a commodity;

(e) A better articulation of macroeconomic, mesoeconomic and microeconomic scales: these dimensions have to be better articulated in financing models in order to match "global-local" realities and impacts. When dealing with solutions for planning financing for formal and informal settlements, there is a greater need for a hybrid and blended basket of financing solutions to be proposed to cope with inequalities and cater for specificities;

(f) The tailor-made and holistic approach of the New Urban Agenda: the New Urban Agenda will need to be understood and applied by taking into account a wide range of realities and contexts, as well as cultures and historical urban landscapes and avoiding a one-size-fits-all approach. It must be implemented through differentiated strategies, depending on the reality and situation of each settlement, with a region-, country- and settlement-specific approach. It should encourage a holistic focus that avoids partial, sectoral or segmented financing policies;

(g) Habitat III should be a focused and action-oriented agenda: it should be grounded in country implementation frameworks that ensure the cohesion needed at the national and subnational levels and complemented, where appropriate, by high-impact development cooperation. More than just technical solutions and sectoral approaches, the New Urban Agenda should deliver a concrete hands-on road map for all types of urban stakeholders. This is the only way to contribute to the achievement of the Sustainable Development Goals, in particular Goal 11. Financing urban development is not only about urban services; the challenge is also to contribute substantially to the eradication of poverty and the reduction of the dramatic inequalities and gaps existing within and between the countries that characterize our world today.

Localizing finance for inclusive change

9. We, the participants in this Habitat III thematic meeting, representing a wide range of stakeholders, including national, regional and local governments,

organizations of the United Nations system, intergovernmental organizations, civil society, academic and research institutions, businesses and the private sector, social and solidarity enterprises, community-based organizations, philanthropies and women and youth organizations, thank the government of Mexico City and its partners for hosting this event, and propose that the present declaration, in particular the drivers for action set out below, be considered and included as an essential part of the process towards the preparation of a New Urban Agenda to be adopted at the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), to be held in Quito in October 2016.

1. Fiscal and financial decentralization

10. The related drivers for action are:

(a) To provide timely, predictable and adequate government financial transfers commensurate with the mandates for service provision of local governments, and to ensure that such transfers can be utilized in financing mechanisms authorized by local governments;

(b) To recognize that "bottom up" national development implies the adequate intergovernmental allocation of resources, subsidiarity and sound subnational fiscal policies that involve the greater ability of local, metropolitan and regional governments to raise their own revenues and access predictable transfers, coupled with transparent equalization mechanisms or funds. A stronger agenda is to be promoted in implementing a clearer cooperation between locally present central government bodies and decentralized governments;

(c) To enable local governments to piggyback on selected national or regional revenues that are productive but that are best administered at a higher level, for example, income-related taxes or value-added tax, carbon taxes and taxes on extraction and pollution;

(d) To recognize the importance of engaging in adequate fiscal reforms that push forward fiscal decentralization to ensure that local governments are able to manage both urban development projects and the necessary funding. This fiscal autonomy will enable the securing of revenue streams for better planning, borrowing and investment;

(e) To encourage a shift in behaviours and in management culture to start a transition from a financial system based mainly on grants and subsidies from the central Government to a system based on a financing mix, including performance-based grants and incentives;

(f) To consider that the structure of national and local taxation is not flexible enough to react to changes in the economic structure (the service economy, the dematerialization of production, relocation and tax optimization by large companies);

(g) While the production of wealth is concentrated in cities, few tax systems allow for cities to be funded on even a portion of the value added produced within them. The current distribution of resources should be modified to decrease inequalities among and within cities and between urban and rural areas, as well as promoting integrated territorial development.

2. Endogenous resources and land-based financing

11. The related drivers for action are:

(a) To consider that, with the support of national Governments and partners, local resources can be used to help to finance local development and encourage the emergence of virtuous cycles of investment at the local scale and the creation of local value chains for financing through hybrid funding sources (financial short circuits engaging local savings in local financing);

(b) To enhance capture of the appreciation in land value generated by infrastructure projects (including those for local roads, sewerage and water transportation), with close monitoring of land speculation by landowners, through better planning and balanced incentives and constraints;

(c) To redistribute land value gains and charges, as well as investments, to intentionally promote territorial equity and avoid spatial segregation and the uncontrolled or inequitable gentrification of neighbourhoods, with special attention given to well-located social housing provision and social diversity throughout the city;

(d) To better orient property development and land value capture by developing tools, in coordination with national Governments, that allow for a simplified and more effective tax collection process. An increase in the knowledge and use of legal land-based financing tools and the functioning of the real estate market, especially considering the impact of foreign investors thereon, would be positive for local land management;

(e) To develop a comprehensive public strategy on land management and the use of regulatory mechanisms, including the exercise of citizen and sustainable control of public space, both in terms of land and real estate, to prevent added value from being captured entirely by the private sector, which has not necessarily contributed to its growth, thus avoiding pervasive land speculation;

(f) To improve land management methods and engage in the reforms necessary to create a land and property register (if non-existent), as well as standardizing existing registries to ensure their compatibility, thus improving the effectiveness of taxation by keeping the registers up-to-date and recording land transactions;

(g) To exploit the potential of the national resources of all countries in a manner that ensures that current and future generations benefit from resource earnings, including local development.

3. Access to banking, capital markets and innovative financial intermediation

12. The related drivers for action are:

(a) To recognize that access for local governments to sources of credit under suitable conditions continues to present a bottleneck in many countries, especially those in which sovereign guarantees to obtain favourable financing from international organizations are required. International financial organizations could play a strategic role by creating guarantee mechanisms securing initial working capital and equity;

(b) To provide local governments with an adequate range of debt financing options and subsidized loans and other types of credit for self-financing projects, and to promote and facilitate their access to capital markets when they are already able to borrow and finance their investments through dedicated rules and regulations, incentives for investors, technical assistance, credit enhancement procedures and foreign-exchange liquidity and de-risking facilities, as well as partial and first-loss guarantees;

(c) To support local governments that do not have the capacity to access the credit market directly or alone in developing their creditworthiness over time through incentives and technical assistance to fund guarantee mechanisms that leverage the amounts of investments, including by:

(i) Establishing special credit institutions, such as municipal development banks, and subnational pooled financing mechanisms and appropriate rating agencies;

(ii) Using risk mitigation strategies;

(iii) Implementing financial vehicles that can entice institutional investors, development financing institutions and the public sector to collaborate and jointly finance local infrastructure, including local financing structures.

4. Promoting private sector investments and new alliances

13. The related drivers are:

(a) To establish appropriate financial mechanisms and set up a well-resourced operational fund for facilitating the implementation of the new urban and human settlements agenda, including by strengthening existing financial institutions and implementation arrangements;

(b) To set up an enabling environment to encourage the private sector (including small and medium-sized enterprises, small informal operators and cooperatives) to invest in local infrastructure and work in partnership with national and local governments, including in the development of bankable financing mechanisms and projects and a local public procurement system to prioritize economic development and the creation of quality employment;

(c) To set up local public procurement systems (and national legislation) that prioritize local economic development, the creation of qualified jobs and environmentally friendly practices;

(d) To develop a strong legal framework and strengthen the capacity of local governments to promote, manage and monitor public-private partnerships on the basis of a well-balanced distribution of risks and benefits, and to follow up the annuity plans of the private sector to ensure a constant focus on the efficient use of resources;

(e) To explore ways to lower the cost of remittances and introduce diaspora bonds to attract and channel international private finance towards productive investments in the national and local economy;

(f) To leverage South-South cooperation and innovative aid modalities. In this context, national and local governments will be called upon to harness the potential synergies and complementarities of different actors, whether private or

public, traditional donors or emerging development partners, at the global, regional and local levels;

(g) To encourage the private sector to contribute to advancing gender equality and the empowerment of women, as well as through increased investment in female-owned companies or businesses;

(h) To encourage management models for public-private partnerships on the basis of semi-public companies to ensure that local governments are involved in and committed to the administration and management of the public services they provide, including the considerations of the cross-subsidization of public services to ensure a bankable balance between different ranges of service delivery, the funding models of which are affected by socioeconomic and environmental constraints and contexts.

5. Financial empowerment, capacity-building, transparency and accountability

14. The related drivers are:

(a) To ensure that national and local civil servants and administrations are empowered with adequate knowledge and skills to tackle financial issues throughout the entire project design, development and implementation cycle by mainstreaming gender throughout the entire process, and to guarantee regular training to local teams on issues relating to strategic planning, project management and financial innovation;

(b) To build investors' trust by encouraging local governments to improve their fiscal performance (credit rating) and governance by supporting the modernization of the local public sector with new information and communications technologies allowing for enhanced transparency, accountability, efficiency and effectiveness in the provision of public and social services and in the use of financial resources, reinforcing the fight against corruption and tax evasion;

(c) To recognize that, for resources to be used efficiently, better management of a city's assets and the effective delivery of public services are required ("do more with less"), including by developing a project portfolio in the medium and long term to promote private sector investment in a transparent and planned manner;

(d) To recognize that, even though the systems of logic used in private and public finance may share common references, they retain core specificities, especially considering that public finance must include social objectives, equity, justice and the redistribution of wealth and promotion of the commons; for the latter, this implies differentiated financial balances and models that cannot be left to the rules of the free market and private accounting. In particular, new indicators of wealth should be promoted, in addition to measurements of gross domestic product, and external factors (especially social and environmental factors) integrated when defining local public budgets and calculating prices.

6. Metropolitan finance and intra- and inter-municipal coordination

15. The related drivers are:

(a) That to achieve expenditure efficiency, it is critical that local governments find ways to coordinate municipal finance planning with spatial and economic development planning;

(b) To recognize the specific weight of subnational — especially metropolitan — economies characterized by "urban complexity", referring to the intertwining institutional network that goes beyond a traditional municipal focus, where different, multi-level administrative structures overlap in the same territory;

(c) To distinguish metropolitan areas as functional areas, as they do not coincide with the administrative structure, boundaries and sectoral vision of traditional politics. This can promote the harmonious development and prosperity of the various territories and regions, balancing urban and rural areas, centres and peripheries, as a means to reduce inequities and provide more development opportunities to the populations most in need;

(d) To consider that financing for metropolitan areas requires specific responses and institutions granted with professional skilled technical teams in such areas as debt management, planning agencies or metropolitan development funds;

(e) To promote and develop at the national level a legal and institutional framework that enables inter-municipal cooperation and the support of local financing structures, and to encourage inter-municipal cooperation when setting up, running and investing in public services, for example, those relating to water and waste management and treatment, public transportation and energy production and distribution, where applicable, and ensure that they are accessible to all on an equal basis;

(f) To allow for the implementation of pooled financing mechanisms that enable local governments to access the capital markets jointly. This can help to include peripheral, intermediate or secondary cities and avoid leaving them behind the mainstream of development.

7. Social and solidarity economy and finance

16. The related drivers are:

(a) To consider that the social and solidarity economy and related finance constitute a source of resilience to the recurrent crises, are capable of catalysing the redistribution of wealth and financial innovation and are conducive to partnerships that will bring about transformational changes in urban development patterns. This may include the adoption of affirmative procurement rules that redress the historical social and economic exclusion of disadvantaged groups;

(b) To underline that, by organizing economically in cooperatives and politically in associations that can engage in policy dialogue and advocacy, as well as pushing for social inclusion, social economy organizations and enterprises can help to address market failures;

(c) To advocate for the creation of enabling environments (especially in terms of regulations and knowledge-sharing) through further research, promotion, systematization and scaling-up of strategies and mechanisms, such as cooperative

and community development banks, solidarity savings, local savings-based retail bonds, energy production by citizens' cooperatives, local, complementary and thematic currencies, social stock exchanges, crowdfunding, participatory planning and budgeting, territorial "poles" for economic cooperation, impact investment, financial and economic short circuits, community-supported agriculture and community land trusts, among other things. Moreover, public or mixed funding enterprises can be useful tools for local governments to manage public services, enabling them to retain control and decision-making authority over those services and manage them efficiently with private tools.

8. Informal economy and new patterns of consumption and production

17. The related drivers are:

(a) To foster strong policies and institutions for local economic development and cultural initiatives towards more inclusive, innovative and creative cities;

(b) To engage in the quest to transform current patterns of production and consumption that have proved unsustainable for society and the environment, and to promote a culture of efficient and smart consumption that allows for savings and rational spending in public service provision, as well as avoiding land consumption based on speculative practices;

(c) To recognize informal economic activities, which characterize urban development in most cities in developing countries, as a legitimate and historical means of urban production and social development, and to treat them as such in urban planning. However, in order to enhance its potential, it is important to encourage the formalization and growth of the informal sector, including small and medium-sized enterprises, as well as promoting "sharing economy" approaches;

(d) To address the negative consequences of the traditional frameworks of action of economics and finance that result in and are exacerbated by crises and raise the awareness of public and private stakeholders, as well as inhabitants, about the importance of "rethinking and redesigning" those frameworks as more sustainable, equitable and supportive systems. These strategies and mechanisms for the relocation of the economy and finance will enable better control and management of resources and the revaluation of local wealth.

9. Climate and resilience finance

18. The related drivers are:

(a) To consider the city-wide economic impact of the transition to a low-carbon economy and its financing. Investments will create new markets, address the long-term opportunities and risks relating to climate change and promote wider socioeconomic benefits, minimizing social and environmental harm;

(b) To recognize the Cities Climate Finance Leadership Alliance as a major step forward in better connecting demand and supply in resilient and low-carbon local infrastructure financing;

(c) To ensure that local governments have access to global, regional and national climate finance mechanisms, either directly or through domestic financing institutions;

(d) To call for the scaling up of investments in sustainable, low-carbon and climate-resilient development at subnational levels by strengthening innovation laboratories on subnational infrastructure financing models and multiplying project preparation facilities to support the emergence of project pipelines to attract and secure institutional and private investments;

(e) To allow for the implementation of ecological tax reform, the creation of green taxes, local carbon markets and innovations to explore renewed sources of financing for sustainable and resilient development, including specific financing schemes for adaptation measures that do not always benefit from revenue streams such as those aimed at mitigation.

10. Social production of habitat and the right to adequate housing for all

19. The related drivers are:

(a) To recognize that an inclusive city is not only one that provides universal access to basic services, but that guarantees dignified, fully-serviced housing to vulnerable populations. Adequate housing also means convenient location, adequate links to employment and schooling options and access to other urban facilities;

(b) To consider that urgent measures need be taken to facilitate access to housing for all, specifically for the most vulnerable, through national housing finance policies aimed at regulating relevant markets, including land, rental and mortgage markets. Existing housing stock should also be considered as having potential;

(c) To recognize that a very important part of urban growth has been developed and financed by the communities themselves through a process known as the "social production of habitat and housing". Such processes need to be reinforced, organized and professionalized in order for them to be attractive for private and public funding;

(d) To consider that urban development is not only about governments financing urban infrastructure; a large part of the funds can be channelled and administered by local populations, including the formal and informal land market, through cooperatives and specialized organizations in the social production of habitat with clear rules and in the context of transparency and accountability.

11. Local and regional governments as global actors

20. The related drivers are:

(a) To enable and promote at the country level a legal and institutional framework that enables international relations for cities and local governments in areas that are within their legal competence;

(b) To recognize and support city-to-city cooperation and networks of local governments as a means to strengthen capacities and facilitate exchanges of knowledge and good practices on urban financial management;

(c) To better articulate official development assistance and cooperation initiatives at the national, regional and international levels for a better allocation of scarce resources to issues relating to financial engineering transfer, especially in

low-income countries, leveraging their potential to reduce risks and promote public and private investments in local economies;

(d) To strengthen cooperation among multilateral agencies, national Governments and local actors in the construction of the New Urban Agenda, working together for the implementation of the Sustainable Development Goals, as well as the Paris Agreement and the Addis Ababa Action Agenda, in particular paragraph 34 thereof;

(e) To create a global observatory on local finance to raise awareness about the investment capacity and the great diversity of local governments, which may necessitate asymmetric approaches and maintain partner mobilization for progress on fiscal decentralization. Such an observatory would organize global thinking on local finance and could also boost national dialogues on the necessary reforms and synergies between central and subnational authorities;

(f) To recognize that financing the New Urban Agenda will require local governments to take a seat at the global table and have a different type of partnership with the United Nations and the international community, not only sharing information but participating actively in strategy and decision-making.

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Preparatory Committee for the United Nations Conference on Housing and Sustainable Urban Development (Habitat III)
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Habitat III European regional meeting

Note by the Secretariat

The secretariat of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) hereby transmits the outcome document of the Habitat III European regional meeting held in Prague, from 16 to 18 March 2016.

16-09098 (E) 130616

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Outcome document of the Habitat III European regional meeting

1. We, the national government delegations from the Member States of the Economic Commission for Europe region, as well as relevant stakeholders, including local and regional authorities, intergovernmental organizations, United Nations agencies, professionals and academia, the private sector, civil society, men, women, children, youth and other participants in the Habitat III European regional meeting held in Prague from 16 to 18 March 2016, adopt the present declaration.

2. We recall the Sendai Framework for Disaster Risk Reduction 2015-2030, the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development, which provides a focus on cities through Goal 11 and other targets across the whole Agenda, as well as the Paris Agreement.

3. We acknowledge specific regional charters and strategies, such as the Geneva Charter on Sustainable Housing and the Strategy for Sustainable Housing and Land Management in the Economic Commission for Europe Region for the Period 2014-2020.

4. We met to discuss the challenges and opportunities of providing access to adequate and affordable housing to all in liveable cities and sustainable urban development, ahead of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III).

5. We debated priorities for the New Urban Agenda and policy recommendations with a view to providing official input to the Habitat III preparatory process.

6. We recall General Assembly resolution 70/210 entitled "Implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme (UN-Habitat)".

7. We, the participants in the Habitat III European regional meeting, express our sincere gratitude and appreciation to the Government of the Czech Republic for generously hosting the meeting and for its excellent organization, and we extend our gratitude to the city of Prague and its people for the warm hospitality accorded to all participants in the meeting.

8. We note the importance of promoting:

(a) **Innovative and productive cities**. There is a need to increase the attractiveness and liveability of cities, with a focus on innovation and adequate and affordable housing, to ensure gender equality and women's empowerment and to take into consideration youth and gender perspectives. Job creation should be promoted through enterprise-friendly conditions, while respecting the environment;

(b) **Green, compact, resource-efficient and resilient cities**. Cities that are green, better-integrated with nature, inclusive, liveable, compact and resilient are a priority in policies at all levels of government and in regional cooperation efforts, especially with respect to members of vulnerable groups, marginalized communities and people with special needs. There is a need to increase resource efficiency in the fields of energy, water, waste, land use and food, to mitigate the emissions of greenhouse gases, to improve air quality, to take care of wastewater in cities, to make cities resilient to climate change and other challenges, such as flooding, drought, heat waves and natural and man-made hazards, and to ensure a transition

towards safe and sustainable urban mobility and clean and accessible urban transport for all;

(c) **Inclusive and safe cities**. There is a need to address the causes of discrimination and inequalities, with a particular focus on human rights in cities in relation to gender equality, and of other forms of exclusion and unequal power relations, such as those based on race, ethnicity, culture, caste, class, age, ability or disability, sexual orientation or religion. This should include the progressive realization of the right to an adequate standard of living for all, including to adequate and affordable housing in accordance with States' obligations;

(d) **Good urban governance**. There is a need to improve urban governance by establishing and strengthening local democracy, participatory and multilevel governance, building the capacity of local authorities and all civil society actors, and implementing holistic and integrated strategies for sustainable urban development. Sustainable, inclusive and effective urban planning and management are a vehicle towards an improved quality of life for all people. This should take into consideration urban identity and local culture. There is a need to protect the character of cities and to value their history and traditions, in order to foster social cohesion and civic values and transmit a heritage to future generations. The empowerment of women and their full and equal participation in the economy are vital to achieving sustainable development and significantly enhance economic growth and productivity.

9. We stress that:

(a) There is a need to plan and manage urban areas through the cooperation of national Governments with regional and local authorities and communities within established coordination mechanisms. This should take into account the functional urban areas and metropolitan areas, as well as opportunities within the territories, building on urban and rural linkages;

(b) Cities need to be enabled and empowered in order to be key actors in the implementation of sustainable urban development based on the principles of sustainable development. To this end, local authorities, particularly through their local government associations, and citizens should be involved and consulted at all stages of the policy cycle, from planning to implementation, in a well-designed system of multilevel governance;

(c) There is a need to ensure compliance with legal requirements by independent institutions acting in land governance and land registration, ensuring security of tenure, transparent and efficient land use, property registration and a sound financial system as fundamental bases for sustainable, resilient and affordable housing and urban development;

(d) International cooperation and exchanges among national, regional and local authorities can promote sustainable economic development and social and environmental protection;

(e) Integrated and place-based support measures should be facilitated to enable cities and their surroundings to make the most of their potentials and address specific challenges, especially in relation to urban economies;

(f) There is a need for social cohesion, better access to services and facilities (green areas, public transport, primary health, education and culture) and urban safety;

(g) Long-term and non-speculative risk-informed investments in housing and urban development can stimulate employment in cities;

(h) Resource efficiency and the promotion of sustainable consumption and production patterns are elements critical to cities to manage growth, increase resource productivity and decouple economic growth from increased resource use and its environmental impact;

(i) Efforts to protect and safeguard the cultural and natural heritage contribute to the development of sustainable cities and communities;

(j) We consider affordability in cities a key factor in the quality of human life. It is also a major feature of liveable cities and promotes economic development and job creation. Planned urban development that minimizes environmental impacts can promote economic, social and environmental sustainability and prevent urban sprawl;

(k) Risk-informed urban development is a means to increase the resilience of cities against both natural and man-made hazards and related environmental, technological and biological risks, as well as their cascade effects.

Challenges to housing and sustainable urban development in the Economic Commission for Europe region

10. Our countries face multiple challenges, which are listed below.

(a) **Urban poverty**. The lack of affordable, adequate, accessible, habitable, resilient housing and homelessness are major problems. In some cities, the lack of public spaces, safe and accessible transport and basic public facilities and services, such as the supply of affordable energy to all, deprives residents of amenities and of a standard of living that should be available to all. Inadequate access to any of the basic services (water supply, sanitation, shelter, household energy, food security, health care, education and personal security) adversely affects the health of the population and inhibits economic growth. The growing of informal and substandard housing is becoming a reality, as those who cannot get into the housing market find themselves relegated to living in slums with poor infrastructure and inadequate basic services. In deprived urban areas, physical and economic regeneration activities require coherent and multidimensional approaches, particularly in the case of marginalized communities and individuals, whose effective integration requires employment, education, health care, housing and social integration. Housing investments envisaged in segregated neighbourhoods should be aimed at tackling the spatial and social isolation of marginalized communities, and interventions should follow the principles of non-segregation and desegregation. The increasing duality of the labour markets changes the patterns of employment, favouring those with more added value to the economy over those with traditional, low value-adding jobs. This contributes significantly to an increase in social and spatial inequalities. Growing inequalities and the lack of affordable and accessible housing for low- and medium-income strata may lead to urban sprawl, while the lack of public spaces and

transport deprives residents of amenities and of an adequate standard of living that should be accessible to all.

(b) **Demographic changes**. Important demographic changes, such as ageing and migration, that have taken place in the last decades need to be addressed. An ageing population has become a significant issue, with the majority of housing being ill-equipped to cater for this growing group. Poor housing conditions have a direct effect on the physical and mental health of the population. This justifies the need to provide adequate and healthy housing. The growing proportion of ageing people in the population increases the costs of health care and the burden on the welfare systems. Moreover, the majority of housing and public urban spaces are not well adapted to the ageing population or, in some other Member States, to the increasing urban youth population, which poses challenges in terms of adequate and affordable housing and infrastructure. Migration has led to an increased diversity in many cities, a process that boosts social innovation but also brings along challenges in terms of social cohesion that require adequate policy responses.

(c) **Climate change and disaster risk**. There is a strong relation among climate change, disaster-risk mitigation and spatial planning, public transport, mobility and housing. Member States, in cooperation with local and regional governments, should seek to mitigate and adapt to climate change reducing the emissions of greenhouse gases through city-based actions. This can include, among other measures, ensuring that buildings are energy-efficient and that the share of renewables is increased. Housing stock, buildings and vital infrastructure, such as hospitals, schools and workplaces, as well as public transport facilities should be made low-carbon and resilient to both natural and man-made hazards and related environmental, technological and biological hazards and risks, as well as their cascade effects on infrastructure, economic assets and livelihoods. Cities should aim at preventing water-related disasters through the establishment of emergency plans and awareness-raising. Sustainable food systems are fundamental to safe, inclusive and resilient communities, while urban areas face high levels of food waste, which are expected to rise as urbanization continues.

(d) **Urban growth and urban sprawl**. If not controlled, urban growth can lead to urban sprawl. Member States should prevent its negative impact on the environment through the strategic planning of human settlements in a polycentric and balanced territorial development with efficient and safe multimodal transport systems. In preventing urban sprawl, we must also consider the cost of urban densification using the existing urban structure and preserving the habitability of the urban environment.

(e) **Coordination in urban development**. Planning strategies and tools need to be implemented to ensure more balanced relations between the public and private sectors. Cooperation in urban planning and management among different levels of Government, communities, local non-governmental organizations and the private sector should be encouraged. This entails enacting measures at the national, regional and local levels to ensure that policies are appropriate for each level of governance, thereby guaranteeing the most effective results. This includes the need for all key stakeholders and inhabitants to participate in the decision-making process related to urban planning, as they would be affected by developments in housing.

(f) **Urban regeneration**. The overestimation of the technical aspects of building construction and urban planning (including green technologies) can

compromise the social sustainability and cultural adequacy of housing solutions, as well as the preservation of a city's tangible and intangible cultural heritage, which carries the memory and identity of its inhabitants over generations. A balanced approach to urban regeneration should consider social cohesion and the urban environment. In this regard, local planning at the level of neighbourhoods is essential to create vibrant communities and liveable cities. The approach should provide public spaces as a key element affecting the quality of life and the identity of the inhabitants of a city.

(g) **Relevant use of technology**. Progress in technologies and the availability of data is rapidly changing our lives and the way we organize them. Urban planners should adopt relevant technological innovations that allow for a more effective use of available data. This requires educating and building the capacity of urban managers, decision makers and inhabitants. Open and disaggregated data are a critical component in transparent and effective governance as well as in the provision of efficient environmental and energy services in urban settings. Every effort must be made to keep shared data accessible to the public, while protecting the privacy of individuals. Cities should consider simple, interoperable and comparable data markers and standards for data collection. Data should also be transparent and openly accessible for its exploitation as a tool to increase people's ownership and engagement. The technological and digital divide in urban planning and management has to be addressed.

Key directions from Prague to Quito

11. We should address the above challenges through an integrated approach to sustainable urban development, setting out effective actions to tackle the economic, environmental, climatic, demographic, social and cultural challenges affecting urban areas. Cities should be "people-centred" and enhance conditions for well-being, development and the realization of the human rights of all inhabitants. In particular, there is a need for the following.

(a) Innovative and productive cities

We support strengthening cities' endogenous potential for innovation, including social innovation and job creation through ensuring an enabling business environment, transparent and predictable local policies and regulations on land security. Infrastructure, adequate and affordable housing and markets supporting local economic development should be in place, as well as employment and decent work for all, including young populations, while respecting the environment and strengthening equity and social integration. Enhancing economic growth across socioeconomic sectors should go hand in hand with measures to improve urban resilience, including the transition towards the circular and green economy. It should stimulate rural-urban production, supply chains and cities' food security, among others, to promote a sustainable urban metabolism that will reduce urban inequalities and urban-rural tensions;

(b) Green, compact, resource-efficient and resilient cities

We support cities in their efforts to make the best use of natural resources, including through spatial planning, and to focus on resource efficiency in relation to

energy, water, raw materials, such as concrete, metals and minerals, and land, including through effective land management, in order to prevent urban sprawl and strengthen the "multiple use of space" principle. We also support climate change adaptation and mitigation measures and cities' resilience to floods, heat waves and natural and man-made hazards. Urbanizing deltas, in this respect, are facing extreme and specific challenges because of the combination of socioeconomic and natural environmental dynamics. We encourage the use of green and blue infrastructure as well as nature-based solutions, in addition to hard preventive infrastructure and spatial planning, as a tool to prevent disasters, in particular water-related ones, from having a big impact;

(c) Inclusive and safe cities

- We encourage addressing urban poverty and exclusion by addressing, reducing and preventing the root causes and effects of inequalities and conflict through inclusive decision-making, equal access to affordable housing, the transparent and efficient provision of basic services and facilities, including water supply and sanitation, mobility and public and green spaces, and safeguarding tenure security. The New Urban Agenda should also aim at creating a dialogue and conflict mediation among and within communities, tackling all forms of discrimination against women and children and addressing the specific needs of members of vulnerable groups, including refugees and other groups of migrants. Specific attention should be given to women's empowerment and intercultural and intergenerational dialogue. Cities are places where disparities and inequalities are concentrated, as well as places where different cultures may coexist, where ethnic diversity may become a source of innovation and renewal, and where social mobility is possible;
- Accessible, safe, inclusive and good-quality public spaces and safe transportation should be provided to foster urban equity, social cohesion and a better quality of life, with particular attention to the needs of men, women, children, elderly persons and persons with disabilities;
- We support promoting improved access to basic services allowing sustainable growth and job creation, with particular attention to the empowerment of women and better gender equality;

(d) Good urban governance

We support:

- The elaboration of country-specific and evidence-based policy guidance and recommendations on challenges related to housing, urban development and land management through regional and thematic studies;
- Using research and innovation, developing in-depth assessments and reports to increase the knowledge and availability of data based on country specificity, and fostering open access to data and knowledge, leading to the harmonization of definitions, methodologies, indicators and standards, both at the regional and international levels, and ensuring effective monitoring;
- Promoting dialogue between all levels of governance and relevant stakeholders, creating, when applicable, and supporting existing local, national, regional and transnational networks, platforms and institutions,

facilitating the exchange of experiences and the sharing of good practices, including city-to-city cooperation;

- Promoting national urban policies, as appropriate, which are conducive to sustainable urban development and foster territorial cohesion, and their translation into localized urban legislation and regulations, respecting, where appropriate, the principle of subsidiarity;

- Strengthening the use of spatial planning and the design of urban extensions, infilling and regeneration ensuring a bottom-up and multilevel governance, as well as integrated approaches involving all stakeholders and the inhabitants. Cooperative mechanisms for spatial planning and steering in metropolitan areas beyond administrative boundaries should be strengthened and supported by integrated spatial strategies to ensure a balanced territorial development;

- Stressing that, in order to be effective, approaches may have to be locality-specific and therefore varied, given the diversity of the countries, economies, societies and cultures in the region, and especially promoting the design and implementation of national urban policies according to a "place-based" approach;

- Supporting and building the capacity of local authorities, a key element for the sustainable development of urban areas. This could be done by promoting decentralized cooperation among local authorities, empowering all concerned levels of governance to tackle social, economic, environmental and demographic urban development challenges in an integrated manner, establish legislative frameworks and consolidate shared knowledge bases;

- Focusing on land management and land access as a prerequisite for sustainable urban development, as well as ensuring sustainable financing models that guarantee the public benefit of increases in land values and the mobilization of urban development capital gains in favour of land-use planning;

- Building accountability and the regular monitoring of the coherent implementation of the New Urban Agenda and the Sustainable Development Goals, with a special focus on Goal 11 and other targets across the 2030 Agenda, using the relevant indicators defined. This should include regionally specific agreements and strategies on data collection and analyses. Data should be gathered using common international standards to ensure that they are compatible among Member States. They should, as much as possible, be publicly available to support policymaking, research and economic development. Lastly, global and regional data repositories should be further developed to support the policymaking process;

- Supporting sound municipal finances so that cities can provide needs-oriented services to their inhabitants. This includes facilitating enhanced access by local authorities to financial resources, including strengthening their own source revenues by establishing and improving revenue generation and collection systems at the subnational level, improving access to national financial allocations, as well as facilitating access to capital markets and attracting domestic and foreign direct investment;

- A modern legislation and appropriate monitoring institutions, which are crucial for fair competition in the market to avoid land and housing-market speculations;

- Enabling, entitling and empowering cities to act on the principles of sustainable development and to be key actors in the implementation of sustainable urban development. To this end, local authorities, particularly through their representative local government associations, and citizens should be involved and consulted at all stages of the policy cycle, from planning to implementation, in a well-designed system of multilevel governance.

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Habitat III thematic meeting on public spaces

Note by the secretariat

The secretariat of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) hereby transmits the outcome document of the Habitat III thematic meeting on public spaces, held in Barcelona, Spain, on 4 and 5 April 2016.

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Outcome document of the Habitat III thematic meeting on public spaces

Barcelona Declaration

We, the participants in the Habitat III thematic meeting on public spaces, representing a wide range of stakeholders, including national, regional and local governments, organizations of the United Nations system, intergovernmental organizations, civil society, academic and research institutions, workers and trade unions, the private sector, social and solidarity enterprises, community-based organizations, philanthropies, women and youth organizations, while thanking the municipality of Barcelona for hosting the event, propose that the following Declaration be considered and included as an essential input to the process towards the preparation of a New Urban Agenda, to be adopted at the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), to be held in Quito in October 2016.

We recall the outcomes of the Sendai Framework for Disaster Risk Reduction 2015-2030, the Addis Ababa Action Agenda, the 2030 Agenda for Sustainable Development, which provides a focus on cities through Goal 11 and the specific target on public spaces (target 11.7), as well as other interlinked goals and targets across the whole agenda and the recently adopted Paris Agreement on climate change.

We welcome in particular the acknowledgement of the importance of public spaces to achieve sustainable development in the 2030 Agenda for Sustainable Development, through established target 11.7, which states that by 2030 we should "provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities".

We acknowledge with satisfaction the considerable attention that has been devoted to the concept of public spaces in the preparatory process, including the issue paper on public spaces and the report of Policy Unit 6, entitled "Urban spatial strategies: land market and segregation", all of which concur with the following definition of public spaces: "Public spaces are all places, including streets, publicly owned or of public use, accessible and enjoyable by all for free and without a profit motive".

We advocate for a central role of public spaces in the New Urban Agenda, as they are a key driver to achieve our collective aspiration for more sustainable, just and democratic cities and human settlements for all temporary and permanent inhabitants and users of the city, whether they live there legally or informally.

We stress that:

- Human rights are key to advancing and developing urbanization that is sustainable and socially inclusive, promotes equality, combats discrimination in all its forms and empowers individuals and communities. The New Urban Agenda is a unique opportunity for State authorities at all levels to realize the human rights of all inhabitants
- The right to the city is a new paradigm that provides an alternative framework to rethink cities and urbanization. It envisions the effective exercise of all

internationally agreed human rights, the achievement of the sustainable development objectives as expressed through the Sustainable Development Goals and the fulfilment of the commitments of the Habitat Agenda

- There is a need to preserve the character and quality of existing historical public areas, in order to promote local identity and to transmit the heritage to future generations; to improve existing public areas in central and peripheral parts of the city, in order to upgrade their quality and foster the sense of belonging of the communities; and to design new public spaces in built areas and in new urban expansions, in order to increase the quality of life of the inhabitants and strengthen social stability.

Why public space?

In an ever more urbanized world, the right to the city must be guaranteed to the people who presently share the urban space and to the coming generations who are going to inherit it. This means it is necessary to have urban planning and public policies capable of producing more mixed and compact cities and human settlements marked by gender and social justice. Compactness and mixture make them fairer and more sustainable and therefore better prepared for facing erosions to the right to the city, such as gentrification, spatial segregation or sprawl. Urban public space is not only the setting in which these erosions become more evident; it is also the place from which they can be staunchly reverted with greater firmness. However, in order for the public space to respond to its true purpose and be at the service of the people and achieve the democratization of our cities, it should be tackled from an integrated perspective, which goes beyond its own physical boundaries and address fundamental dimensions such as (1) "agora" (its social and political dimension), (2) economy, (3) mobility and (4) housing.

1. Agora (social and political dimension)

Accessibility and inclusivity

- Public spaces should be free of charge and free from physical, legal and architectural barriers that discourage the presence of homeless and low-income people (preventive or dissuasive design) and make it difficult for people with reduced mobility to circulate, for the full exercise of their rights and freedoms
- It is important to ensure access to natural zones, waterfronts or heritage sites
- Public spaces enable the population to remain engaged with and to stake a claim to the city. This implies respect for and protection of a number of rights and freedoms, such as the rights to freedom of expression and assembly, information, consultation and participation in decision-making processes
- Public spaces may be places where social tensions are exacerbated or where harassment, threats and violence can occur. Not only do the root causes of these issues need to be addressed but also the elements of public spaces (for example, lights) need to be designed in consultation with the inhabitants, especially women, children, lesbian, gay, bisexual and transgender individuals, and youth. Moreover, proximity relations, or positive social relations and community control strongly contribute to the enhancement of citizens' security and its perception.

Versatility

- Public spaces should be versatile to enable multiple use and access, facilitated, among other things, by translations of public and commercial signs for ethnic minorities
- Empty and neutral areas can be better adapted to neighbourhood appropriation or the possibility of hosting extraordinary community-based events
- Public spaces can represent an alternative to temporary shelter and provide space for evacuation in case of emergency. This should be considered particularly given climate change and migration issues.

Quality design, environmental and human scale

- Public spaces should reflect a human scale, territorial distribution and a degree of integration with the immediate surroundings that fosters their everyday use, maintenance, security and safety for all
- The design process should be a co-production of stakeholders' input and include physical, cultural and social identities that define a place
- Public spaces design can contribute with many co-benefits to minimize the impact of cities on the global climate system, both through mitigation measures (energy savings and resource efficiency in public services) and adaptation measures (green and blue grids, infrastructure, heat wave control). It can more generally lead to the better resilience of cities
- Public spaces are key to protect urban biodiversity, in particular through the promotion of ecological continuities.

Distribution and integration

- Capillary distribution of public spaces at all scales in the urban territory is also important. All neighbourhoods should have suitable public spaces and green areas for recreation and social interaction at a reasonable distance from home. Far from only being free and open areas, public spaces have a complex spatial nature that includes porches, underground areas and closed buildings. Integration with other physical elements of the city, such as municipal facilities, public infrastructure housing and commerce, should be pursued
- The street and the house are interrelated spaces. Friendlier and safer public spaces are those that reflect a greater level of participation and appropriation by neighbours. Accordingly, a visual and circulatory relation between domestic spaces and open places is fundamental
- Public infrastructures (railway and metro stations, markets and treatment plants) should transcend mono-functional specialization and take on a sufficient degree of complexity so as to become spaces of social interaction with a pedagogical function
- An adequate and well-connected network of streets and other public spaces, particularly in new urban expansions and at the time of urban transformation, should be secured, considering that successful, dense, mixed cities in general allocate 35 to 50 per cent of urban land to public space. This will require the

adoption of legislation on replotting and land readjustment to acquire suitable public land.

Recreation and health

- Public spaces should provide equal opportunities for enjoying indoor/outdoor spaces and promote healthy practices and sustainable consumption and production patterns in harmony with nature. They should contribute to the well-being of people in vulnerable situations (including children, older persons, the homeless, the sick and people with disabilities, and irregular migrants) and facilitate a more equitable distribution of duties that traditionally have fallen mainly on the shoulders of women within the domestic field.

Cultural and political expression

- Public spaces can create the environment to dispel the myths and destructive stereotypes associated with migration by fostering public debate about the varied and overwhelmingly positive contributions of migrants to local communities
- Far from threatening their natural or heritage values, public access to conservation-oriented or fragile areas allows people to fully get to know, value and defend them, which in itself is a greater guarantee of their preservation
- Public spaces and municipal educational and cultural facilities (schools, libraries, civic centres and museums) have a pedagogical function that is essential for democracy and social transformation, contributing to the construction of a critical, committed and well-informed citizenship. The pedagogical function, which should foster critical debate and avoid indoctrination, should be fully promoted and pervade any public space.

Conflict resolution and cohabitation

- Public spaces are where dialogues and confrontations take place defining the mechanisms to enable conflicts to evolve and be solved, between users, particularly in the complex multicultural cities, so that such spaces are able to bring their added value to different groups and needs.

Governance

- The quantity and quality of public spaces can be guaranteed through proper urban governance mechanisms and by developing effective, accountable and transparent institutions at all levels and ensuring inclusive and participatory decision-making
- Public spaces require a legal and policy framework at the central level that both enables local authorities to effectively implement national urban policies and empowers them as policymakers benefiting from a sufficient level of autonomy in decision-making in accordance with their competences
- The resulting multi-level governance system requires political commitment from all echelons of Government for an efficient and effective share of functional assignments for coordination and cooperation. Such a policy should

be shaped through a transparent and participatory process involving — beyond national, subnational and local authorities — all relevant non-State actors, such as non-governmental organizations, citizens and the private sector.

2. **Economy**

Sustainability and democratic control of basic urban supplies and waste

- Promote the mainstreaming of social and solidarity economy in all sectors as an inclusive, viable human rights-based economic alternative and key lever for the future cities
- Establish mechanisms for the redistribution of increases in property value brought about by good public spaces in the case of housing, commercial or production uses, and to prevent solely private capture, by introducing fair taxation and site- and citywide redistribution of gains with the aim of increasing equity and social development and ensuring the contribution of landowners to urban development
- Public spaces should include governance that ensures the preservation of territorial, peri-urban and urban land for food production by small-scale food producers from real estate speculation
- In order to better integrate cities and mitigate climate change, the democratization, municipalization, transparency and sustainable production and management of energy, water, and telecommunications provision, as well as municipally managed access to urban waste and sanitation, should be a right for all inhabitants, including migrants
- Foster micro-, small- and medium-scale economic activities, both formal and informal, with specific attention to integrating urban spaces with rural and natural spaces and revitalizing unproductive spaces in order to improve the livelihoods of local producers and workers, including those in the informal sectors
- Introduce regulatory frameworks that guarantee the territorial balance in urban-rural linkages through public space networks, as the basis for economical systems.

Balance production of wealth and responsible consumption

- Promote responsible local sustainable production and consumption, social interactions, as well as vibrant, inclusive and diverse public spaces by enabling accessible networks of municipal markets, local commerce, street vendors and waste pickers
- The public character of public spaces needs to be guaranteed and their privatization avoided even if the use remains public, especially referring to streets and built environment open spaces such as squares. Worldwide trends at different scales set this issue as a priority, highlighting the need for a mutual positive relation between public and private spaces, including housing and residential blocks

- A new form of partnership, where people and stakeholders have the right to access and participate in the process, is needed as well as the formulation of stricter regulations against the privatization of public spaces
- Reiterate multisectoral cooperation on cross-cutting issues such as labour, land-use and food and foster public spaces, including effective governance to ensure the preservation of territorial, peri-urban and urban land for food production by small-scale food producers. Ensure adequate infrastructure connecting small-scale producers to local markets.

3. **Mobility**

Change of paradigm towards a post-car city

- There is the need for a paradigm shift from a private-car-based mobility model to more democratic, climate-oriented and sustainable mobility, boosting efficient modes of transport, including considering the modal split of the daily journeys. Cultural policies on and awareness-raising about the effects of the massive use of private motorized vehicles on health, productivity, sustainability and equity should be promoted.

Fostering walkability and bicycle use in a more human public space

- Promoting walkability and cycling is a key measure to bring people into the public space, reduce congestion and boost the local economy and interactions, as well as improve safety in cities. Walkability helps to reduce reliance on automobiles and alleviate congestion, air pollution and resource depletion
- Walkable public spaces and public spaces for cycling, designed on a human scale, are effective tools for women-, children- and age-friendly cities, increasing livability and enjoyment.

Implementing democratic and sustainable public transport networks

- Public policies and urban planning must foster public transport as a structural way to promote more democratic and sustainable mobility. Public transport must have a good spatial and temporal distribution and must be affordable and accessible to everybody. It must be intermodal and its infrastructures must have a balanced relation with the neighbourhoods it crosses and not create big barriers
- Develop urban planning capacity to make strategic public space plans at the scale of the city, the districts and the street level, which respond in a transversal way to the urban challenges of mobility, ecology and social issues
- Define planning measures and rules that guarantee in a quantitative way the creation of accessible public spaces for all, with priority to pedestrian and cycling mobility, as being part of a vibrant and diverse living environment.

4. **Housing**

Right to adequate housing

- Access to quality public spaces for all should be strengthened as an essential component of the definition of the right to adequate housing, which currently

includes security of tenure, affordability, accessibility, location, cultural adequacy and security of and access to water, sanitation and electricity

- The provision of quality public spaces can greatly improve housing conditions both in the existing urban setting and in newly developed extensions, with particular regard to the needs of vulnerable groups, including people living in informal settlements
- Social housing with quality public spaces should become the norm rather than the exception in cities. Instead of being limited to distant and peripheral locations, it should be distributed in all parts of the city, with priority to urban renewal, in order to counteract gentrification and, in specific contexts, excessive "touristification".

Social function of land, property and city

- Policies and interventions should promote alternative housing options, shifting from predominantly private ownership to rentals, and tenure diversity, including such cooperative solutions as co-housing and community land trust, enhanced by the provision of adequate public spaces
- Access to quality public spaces for all is threatened by two opposite phenomena, the appropriation of public spaces as a result of gentrification and the privatization of public spaces as a result of exclusive housing development and gated communities
- The worldwide speculative escalation of rental prices in the most attractive locations transforms the city and its public spaces into deserts through the expulsion and eviction of its inhabitants, communities and small formal and informal businesses. Regulation of the private market, rent control and the discouragement of empty housing can counteract the foregoing and promote the social function of the property
- Land and housing, especially when equipped with quality public spaces, are very valuable assets. Therefore, they should be subjected to fair taxation and value capture mechanisms. These revenues should be redistributed to less privileged neighbourhoods according to principles of urban solidarity.

Housing policies and tools

- Housing policies need to foster local integrated housing approaches by meeting the needs of people and addressing the strong links between education, employment, housing and health, and by aiming at desegregation. In the same way, they need to ensure security of tenure, including preventing forced evictions and displacements, and guarantee the provision of dignified and adequate reallocation by corporate landlords and public authorities in case of eviction by individual landlords. Dedicated human rights-based strategies and policies and social protection are needed to tackle homelessness as comprehensive and sustainable housing first programmes, with measurable goals and timelines, and in an inclusive manner.

We conclude that in order to have more democratic cities, namely fairer and more sustainable ones, we need to develop public policies and urban planning that best foster more compact and mixed urban fabrics in which:

- [Agoras] Freedom, gender equality, equity and diversity of expression, transparency, pedagogy, a culture of civic and critical engagement, as well as binding participation and accountability pave the way for the democratic co-production of urban space, for all inhabitants, whether temporary or permanent, living in legal or illegal conditions
- [Economy] Opportunities to participate in the common wealth and the democratization of economic activities are ensured to include small-scale operators and local producers
- [Mobility] Dependence on private cars, with its catastrophic consequences for health, equity, climate change, waste of energy, urban sprawl and spatial segregation, is replaced by walkability, cycling and public transport
- [Housing] The right to adequate, affordable and sustainable housing is guaranteed simultaneously with the right to a diverse and well-located neighbourhood.

These four fields are universal because they concern cities all around the world. That is why local governments have to be provided with sufficient resources in order to address them properly and to be able to guarantee human rights and the right to the city.

Finally, we commit ourselves to promote the principles and the recommendations included in the present Barcelona Declaration for Habitat III, ensuring that this effectively contributes to the formulation of the New Urban Agenda at the next United Nations Conference on Housing and Sustainable Urban Development, to be held in Quito in October 2016.